



**Community Development Block Grant Program
Fair Housing Plan with the
Analysis of Impediments to Fair Housing Choice**

**City of Missouri City, Texas
DUNS 083582882
Grantee #: B-11-MC-48-0040**

October, 2011

City of Missouri City, Texas PY2011 Fair Housing Plan Including Analysis of Impediments to Fair Housing Choice

Introduction and Intent

It is the mission of the U.S. Housing and Urban Development (HUD) to promote non-discrimination and ensure fair and equal housing opportunities for all people. In an ongoing effort to provide services and activities on a nondiscriminatory manner and to *affirmatively further fair housing*, HUD is charged by law with implementing and enforcing a wide array of civil rights laws, not only for members of the public in search of fair housing, but also for HUD-funded grant recipients. HUD is also charged with ensuring the successful operation of specific housing programs. The compilation of several laws, executive orders and regulations are collectively known as *Civil Rights Related Program Requirements (CRRPRs)*, and include the Fair Housing Act and the Civil Rights Act, among other legislation to protect each individual's right to fair housing and equal opportunity. HUD-funded grant recipients are obligated under the various CRRPRs not to discriminate in housing or services, directly or indirectly, on the basis of ***race, color, religion, sex, national origin, age, familial status, or disability***.

All Entitlement Communities, receiving at least HUD Community Development Block Grant funds, must, by Federal law, certify that the fund recipient is affirmatively furthering fair housing. The jurisdiction must develop an Analysis of Impediments to Fair Housing Choice (Analysis of Impediments or AI) and its complementary Fair Housing Plan (FHP). The Analysis of Impediments and Fair Housing Plan are to cover the geographic and political jurisdiction of the Entitlement Community and are combined to be an ancillary document to the multi-year Consolidated Plan for the use of HUD funds.

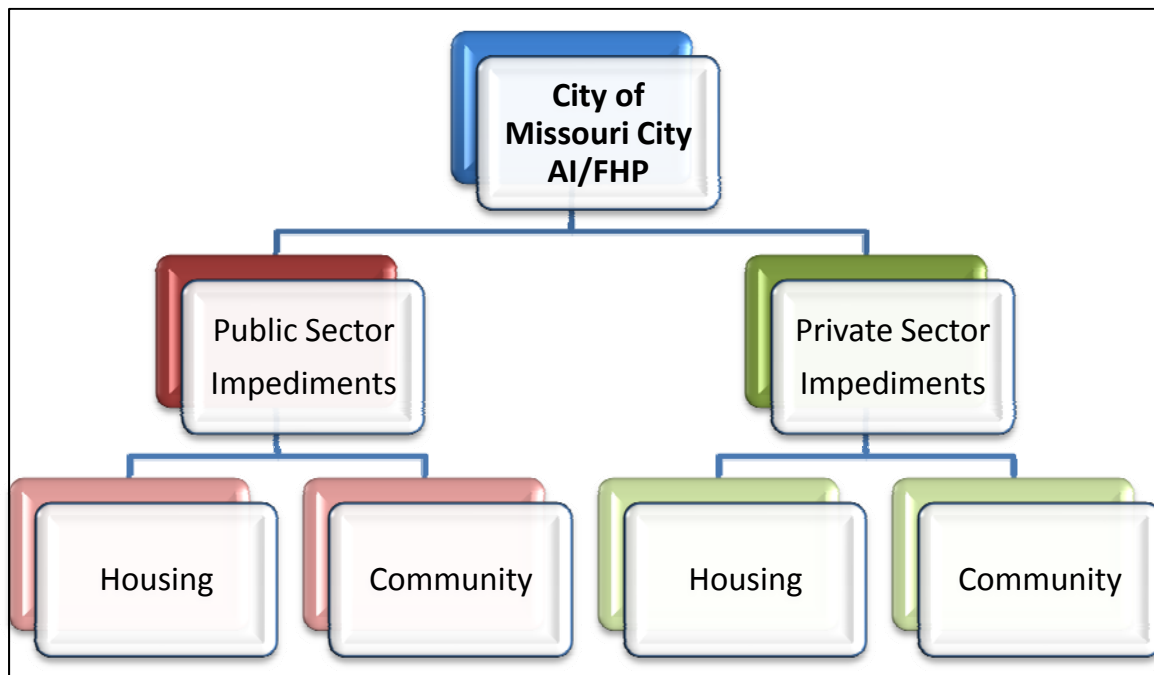
The City of Missouri City is an Entitlement Community, receiving Community Development Block Grant funds from HUD each year. Therefore, it is obligated to develop an Analysis of Impediments and a Fair Housing Plan that covers the city limits of Missouri City. In order to develop a Fair Housing Plan, the jurisdiction must develop an Analysis of Impediments to Fair Housing Choice that involves and addresses housing concerns of the entire community.

The document consists of the Analysis of Impediments to Fair Housing Choice and the resultant Fair Housing Plan, which details the proposed actions to overcome the effects of identified impediments.

A number of lawsuits have been filed recently around the country regarding violations to the Fair Housing Act. The most notable one was filed against Westchester County in New York. The claim was that the county as a whole did provide affordable housing options to residents; however, several of the predominately white and middle- to upper middle-income cities were not participating in allowing affordable housing in their jurisdictions. The result of the lawsuit was that there must be desegregation of housing and a deconcentration of minority and low-income housing with the requirement that all localities participate and allow programs such as Low Income Housing Tax Credit properties.

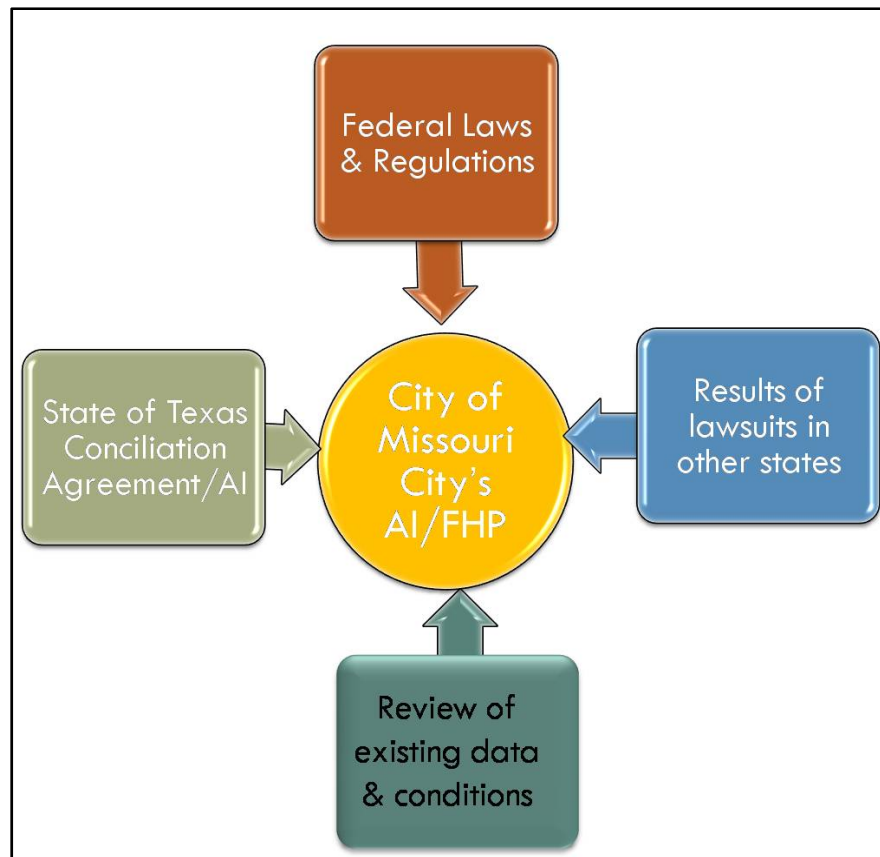
The City of Missouri City must set in place recommended actions that will alleviate concentrations of low-income and minorities as well as ensure that no neighborhoods within the city limits impede fair housing choice. Additionally, the City must set in place recommended actions to allow protected classes access to move to better opportunities and to provide equal access to and equal quality of public amenities. Below is a schematic of the areas to be analyzed for impediments to fair housing choice and to be addressed in the FHP.

Figure 1 – Focus of the City of Missouri City’s AI and FHP



The figure below summarizes the factors influencing and driving the City of Missouri City’s Analysis of Impediments and Fair Housing Plan:

Figure 2 – Influences Driving AI & FHP



It is the intent of the City of Missouri City to comply with all federal, state and local laws regarding fair housing choice and civil rights as well as to develop a set of strategies to ensure that all residents of Missouri City are given an equal opportunity to access the housing of their choice. To this end, the City has reviewed the most current data available, surveyed key stakeholders, worked with the Houston Field Office of HUD, and reviewed the State's Conciliation Agreement and Analysis of Impediments.

Explanation of Data

A variety of data have been used in the development of the Analysis of Impediments, including Census data, secondary nationally recognized data, local data and the results of stakeholder surveys.

Census Data: After 2000, the Census Bureau opted to provide inter-censal data by developing a sample survey of households throughout the United States. Beginning in 2001, the Census Bureau began conducting sample surveys of households to determine mid-decade changes. Also, beginning in 2010, the decennial census no longer includes the detailed sample surveys about income, employment, education, household structure, and the like. Only information on total population by race/ethnicity, age and citizenship was gathered through the 2010 Census. All economic and detailed demographic information must come from the sample surveys conducted throughout the decade.

In order to assemble a large enough sample to produce valid results, the Census Bureau conducts monthly non-duplicating surveys and averages the results over time. The time-frame for the averages depends on the size of the community. Cities the size of Missouri City are averaged over a 36-month, or 3-year, period of time. Therefore, the most recent city-wide totals available are based on sample surveys conducted from January 2007 through December 2009.

For small area estimates, such as census tracts, block groups or zip codes, 5-year averages are conducted, with the first release of these small area estimates for 2005 through 2009. As with the city-wide estimates, these small-area/neighborhood estimates are based in part on pre-Ike survey results and in part on post-Ike results. However, the Census data are the required data for demographics for HUD and other federal agencies. Therefore, they form the basis of demographic information for this Analysis of Impediments.

In addition, HUD works with the Census Bureau in providing Comprehensive Housing Affordability Strategy (CHAS) data at the census tract level. CHAS data detail the households by tenure, income and race/ethnicity that have a housing cost burden or other housing problems such as overcrowding. The 2006-2008 American Community Survey data have been folded into the latest CHAS data and the CHAS files have been used in the Analysis of Impediments.

Home Mortgage Disclosure Act Data: In 1975, the federal government enacted laws regarding the reporting of information by financial institutions. The Federal Financial Institutions Examining Council (FFIEC) requires all lending institutions to report on every home mortgage application with information about the demographics of the applicant and the disposition of the loan. The applicant-level data for 2010 home mortgages in the City of Missouri City have been reviewed and the results are included in this AI.

Local Data: City-wide and small area data used for this Analysis of Impediments include the Census and CHAS data outlined above, current data on rental properties, foreclosures and housing sales, and information from Fort Bend County and Harris County regarding Section 8 Housing Choice Vouchers and other subsidized housing.

Stakeholder Surveys: The City provided surveys on-line and via email and telephone calls to the stakeholders in the community. All recipients were encouraged to share the surveys with other interested parties. The results of the surveys were aggregated and analyzed with every response accepted and reviewed. Specific issues that were mentioned were investigated and addressed.

Summary of the Fair Housing Act

The Fair Housing Act was passed by the United States and signed into law in 1968. The U.S. Department of Housing and Urban Development is responsible for enforcing the Act. In summary, the Act prohibits the following:

In the Sale and Rental of Housing: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- Persuade owners to sell or rent through coercion or manipulation (blockbusting) or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing.

In Mortgage Lending: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap (disability):

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan or
- Set different terms or conditions for purchasing a loan.

In Addition: No one may:

- Threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right
- Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status, or handicap. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

Additional Protection for those with a disability: A landlord may not:

- Refuse to let a disabled tenant make reasonable modifications to his/her dwelling or common use areas, at the tenant's expense, if the modifications are necessary for the disabled person to use the housing. (Where reasonable, the landlord may permit changes only if the tenant agrees to restore the property to its original condition when the tenant vacates the property.)

- Refuse to make reasonable accommodations in rules, policies, practices or services if they are necessary for the disabled person to use the housing.
Example: A building with a "no pets" policy must allow a visually impaired tenant to keep a guide dog.
Example: An apartment complex that offers tenants ample, unassigned parking must honor a request from a mobility-impaired tenant for a reserved space near her apartment if necessary to assure that she can have access to her apartment.

This applies for someone who:

- Has a physical or mental disability (including hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex and mental retardation) that substantially limits one or more major life activities
- Has a record of such a disability or
- Is regarded as having such a disability.

However, housing need not be made available to a person who is a direct threat to the health or safety of others or who currently uses illegal drugs.

Requirements for New Buildings: In buildings ready for first occupancy after March 13, 1991, and have an elevator and have four or more units:

- Public and common areas must be accessible to persons with disabilities
- Doors and hallways must be wide enough for wheelchairs
- All units must have:
 - An accessible route into and through the unit
 - Accessible light switches, electrical outlets, thermostats and other environmental controls
 - Reinforced bathroom walls to allow later installation of grab bars and
 - Kitchens and bathrooms that can be used by people in wheelchairs.
 If a building with four or more units has no elevator and became/will become ready for first occupancy after March 13, 1991, these standards apply to ground floor units.

These requirements for new buildings do not replace any more stringent standards in State or local law.

Housing Opportunities for Families: Unless a building or community qualifies as housing for older persons, it may not discriminate based on familial status. That is, it may not discriminate against families in which one or more children under 18 years of age live with:

- A parent
- A person who has legal custody of the child or children or
- The designee of the parent or legal custodian, with the parent or custodian's written permission.

Familial status protection also applies to pregnant women and anyone securing legal custody of a child who is under the age of 18.

Exemption: Housing for older persons is exempt from the prohibition against familial status discrimination if:

- The HUD Secretary has determined that it is specifically designed for and occupied by elderly persons under a Federal, State or local government program or
- It is occupied solely by persons who are 62 years of age or older or
- It houses at least one person who is 55 years of age or older in at least 80 percent of the occupied units, and adheres to a policy that demonstrates an intent to house persons who are 55 years or older.

A transition period permits residents on or before September 13, 1988, to continue living in the housing, regardless of their age, without interfering with the exemption.

A copy of the current Housing Discrimination Complaint Form is included in the appendix of this document and can be downloaded from the HUD website at <http://www.hud.gov/complaints/housediscrim.cfm>.

Special Issues Regarding Fair Housing

Disaster Recovery: Disasters like Hurricane Ike that struck the Gulf Coast in 2008 threaten the very fabric of a community, aggravating any existing conditions and underlying concerns. In the wake of Ike as the State of Texas began receiving CDBG-based Disaster Recovery funds, two non-profit advocacy groups – Low Income Housing Information Service and Texas Appleseed – sued the State over its Fair Housing Plan and Analysis of Impediments. As a result, a Conciliation Agreement among the State, HUD and the advocates was developed and a much more rigorous approach to affirmatively furthering fair housing was mandated for the State of Texas and its cities and counties. The *FY 2005 Annual Report on Fair Housing* by the U.S. Department of HUD stated the following regarding the special situations/issues and solutions brought about by Hurricanes Katrina and Rita that now must be examined in the wake of Hurricane Ike and future natural disasters:

“In the fall of 2005, HUD came to the aid of the hundreds of thousands of Gulf Coast residents displaced by Hurricanes Katrina and Rita. HUD’s participation in the recovery effort included deploying staff to the region to ensure that unlawful discrimination did not prevent displaced individuals from finding appropriate temporary or permanent housing. To do this, HUD conducted education and outreach and intervened on behalf of people facing discrimination to help them obtain housing immediately. For example, HUD staff helped make a mobile home community open to families with children after receiving a complaint that the park was unlawfully excluding them.

In the months following the storms, HUD and organizations that HUD funds through the Fair Housing Initiatives Program (FHIP) encouraged displaced individuals throughout the country to report discrimination to HUD or state and local government agencies under the Fair Housing Assistance Program (FHAP). HUD and FHIP groups appeared on radio shows, placed billboard and newspaper ads, and launched a nationwide advertising campaign to inform evacuees of their fair housing rights and how to file a housing discrimination complaint. HUD and FHIP personnel also distributed fair housing flyers at Federal Emergency Management Agency (FEMA) Disaster Recovery Centers (DRC) and shelters and answered questions from DRC and shelter workers and displaced individuals on housing discrimination.

The massive number of displaced individuals led to HUD efforts to expand the number of temporary and permanent housing opportunities. HUD opened up thousands of housing opportunities for those left homeless by the hurricanes by modifying its policy for senior housing developments. On November 14, 2005, HUD issued guidance that allowed thousands of senior housing developments throughout the

country to make housing available to evacuees from Hurricanes Katrina and Rita who are under the age of 55 and retain the developments' privilege under the Fair Housing Act to otherwise restrict housing to older persons. HUD expects this exemption to help alleviate the housing crunch in areas of the country where a large number of individuals displaced by the hurricanes have relocated.

HUD also helped increase temporary housing opportunities for persons with disabilities who were displaced by the hurricanes. HUD met with FEMA representatives and other government officials to educate them on federal accessibility requirements and the kinds of modifications needed to make trailers accessible for persons with mobility impairments. As a result, FEMA agreed to make at least 14 percent of manufactured housing accessible to persons with disabilities by installing a ramp or making other reasonable modifications.

In addition, HUD is helping to make sure that persons with disabilities are able to return to the region by taking steps to ensure that apartment and condominium buildings that were destroyed by the hurricanes are rebuilt in a manner that is accessible to persons with disabilities. In November 2005, the HUD-funded Fair Housing Accessibility FIRST program trained approximately 60 architects, builders, state code officials, and FEMA representatives in the Gulf Coast region on the accessibility requirements of the Fair Housing Act. The Department of Justice joined the sessions, providing training on the accessibility requirements under Section 504 of the Rehabilitation Act for federally funded housing."

Mortgage Discrimination: The Urban Institute has published the results of its research into mortgage lending discrimination. From their *Mortgage Lending Discrimination: A Review of the Existing Evidence (1999)* that addresses two major aspects of lending discrimination: individual access to mortgages based on race, ethnicity, national origin or other individual identifiers; and access to mortgages based on the location of the prospective property. The report on pages 2-4 describes the individual discrimination that can be subtle or overt:

"Not all Americans, however, enjoy equal access to the benefits of homeownership. Federal law prohibits discrimination in the home buying process, mandating that all would-be homebuyers must be treated equally by real estate agents, lenders, appraisers, and insurance brokers. However, existing enforcement mechanisms may not be effective enough to guarantee equal treatment or equitable results. Indeed, research clearly shows that minorities still face substantial discrimination in the process of looking for a home to buy (or rent).

Many people believe that minorities also face discrimination when they try to obtain a mortgage—a necessity for most Americans wanting to buy a home. There is no question that minorities are less likely than whites to obtain mortgage financing and that, if successful, they receive less generous loan amounts and terms. But whether these differences are the result of discrimination—rather than the inevitable result of objectively lower creditworthiness—is the subject of a raging debate. The problem is not that analysts or practitioners have ignored the question of discrimination in mortgage lending. Many research and investigative studies have addressed certain facets of it, using different data sets and analytic techniques to study various outcomes. The problem is that these studies have not produced a clear consensus on a set of conclusions.”

“Differential treatment discrimination occurs when equally qualified individuals are treated differently due to their race or ethnicity. In mortgage lending, differential treatment might mean that minority applicants are more likely than whites to be discouraged from applying for a loan, to have their loan application rejected, or to receive unfavorable loan terms—even after characteristics of the applicant, property, and loan request that affect creditworthiness are taken into account. A finding of differential treatment discrimination means that minorities receive less favorable treatment from a given lender than majority applicants with the same credit-related characteristics (as observable by the lender).

Disparate impact discrimination occurs when a lending policy, which may appear to be color blind in the way it treats mortgage loan applicants, disqualifies a larger share of minorities than whites but cannot be justified as a business necessity. A widely cited example is the policy of minimum mortgage loan amounts—setting a dollar limit below which a lending institution will not issue mortgages. More minorities than whites will be adversely affected by any given loan cutoff because—on average—minorities have lower incomes than whites and can only afford less costly houses. Policies such as minimum loan amounts, which disproportionately affect minorities, are illegal unless they serve an explicit business necessity. If these policies do not accurately reflect creditworthiness, or if they could be replaced by policies serving the same business purpose with a less disproportionate effect on minorities, then they are deemed under federal law to be discriminatory.”

The Urban Institute report also describes its investigations into discrimination based on location. Redlining is also a form of discrimination. In general, discrimination involves the differential treatment of an **individual** based on race, ethnicity, national origin, or other characteristics. Redlining is a form of discrimination based on **location** of the property. One form of redlining occurs

when loans are denied when individuals apply to purchase a home in a minority neighborhood rather than a majority-white neighborhood. This is illegal by the Equal Credit Opportunity Act of 1974. Another form of redlining occurs when a predominately minority neighborhood receives a smaller share of the mortgage funds than comparable majority-white neighborhoods. The Community Reinvestment Act of 1977 makes this practice illegal.

Subprime Lending: A major national concern that arose in the 1990s is subprime lending. As early as 1998, HUD identified the disparities in subprime lending. In its report *Subprime Lending Report—Unequal Burden: Income and Racial Disparities in Subprime Lending*, the findings outlined were:

“[T]here are two sides to this story. Since subprime lending often operates outside of the federal regulatory structure, it is a fertile ground for predatory lending activities, such as excessive fees, the imposition of single premium credit life insurance and prepayment penalties. The recent acceleration in predatory lending activity has accompanied the growth in subprime lending over the past decade. And predatory lending can have disastrous consequences for the unknowing borrower. At the very least, equity is stripped from the home. In more egregious cases, homeowners may lose their home altogether.

Prime lenders have made significant efforts and, indeed, significant progress in reaching historically-underserved markets and communities. However, based on disproportionate concentration, there is still much work to be done in both the primary and secondary markets.

Our analysis has led us to four fundamental conclusions:

- First, there has been a monumental growth in subprime lending since 1993, suggesting that a significant number of Americans need greater access to the prime lending market.
- Second, based on the disproportionate percentage of subprime loans in low and very-low income neighborhoods, there are significant potential benefits to increasing access to prime lending for these communities and families.
- Third, based on the disproportionate percentage of subprime loans in African-American neighborhoods, there needs to be much greater attention focused on how to continue to increase access to prime lending markets for these communities and families.
- Fourth, based on the disproportionate percentage of subprime loans held by homeowners in high income black neighborhoods,

these borrowers need greater access to the prime lending market.”

Foreclosure Discrimination: The National Fair Housing Alliance indicates that there is not only discrimination in the rates of foreclosures by minorities but that Real Estate Owned properties (foreclosed properties owned by mortgage companies) in minority and lower-income neighborhoods are less maintained than those in higher-income white communities. This disparity in property maintenance results in lowered property values in the lower-income areas.

Rental Discrimination: Just as lending practices may be individually or locationally discriminatory, rental practices can fall into these two classifications. Landlords may be discriminating against individuals due to their race, ethnicity, color, gender, national origin, age or disability. Landlords may discriminate due to the prospective tenant’s source of income. Neighborhoods and municipalities may discriminate against developers of low- to moderate-income housing, prohibiting them within certain areas.

Discrimination Against the Disabled: In response to a report on the Chicago rental market for disabled individuals, HUD has produced a document to assist advocates for the disabled in assessing discriminatory practices in rental housing. In 2005, HUD released a report, *Discrimination Against Persons with Disabilities: Barriers Every Step of the Way*, detailing the findings of tests conducted in Chicago. Disabled and non-disabled individuals, otherwise comparable, applied for rental housing to compare their treatment. It was found that “persons with disabilities who were studied encountered significant levels of adverse treatment when they searched for rental housing in the Chicago area, compared to comparable nondisabled homeseekers. In fact, adverse treatment against persons with disabilities occurs even more often than adverse treatment of African American or Hispanic renters in the Chicago-area housing market.” No research has been published based on tests in the housing market of Missouri City or the Houston Metropolitan Statistical Area (MSA).

The disabled and special populations are protected against zoning laws and deed restrictions that prohibit single-family group homes in neighborhoods. Group homes for the disabled cannot be prohibited in single-family neighborhoods if they do not exceed the number of non-related individuals allowed for non-disabled classes. For example, if zoning laws or deed restrictions limit the number of non-related individuals, such as students, allowed within a single-family house to two per bedroom, then agencies providing group homes for the disabled must be allowed to locate in the area as long as they don’t violate the limits placed on the number of individuals.

Discrimination Against Income Source: At this time it is not explicitly illegal for landlords to discriminate against those individuals receiving housing or living subsidies, though there are proposals before Congress to include income source as a protected characteristic for renters. Most subsidies, such as Section 8 Housing Choice Vouchers, are structured such that the landlord must apply to accept the tenants with the subsidies and agree to a Housing Quality Standards (HQS) inspection. A landlord who does not proactively apply to accept subsidized tenants is not necessarily being discriminatory.

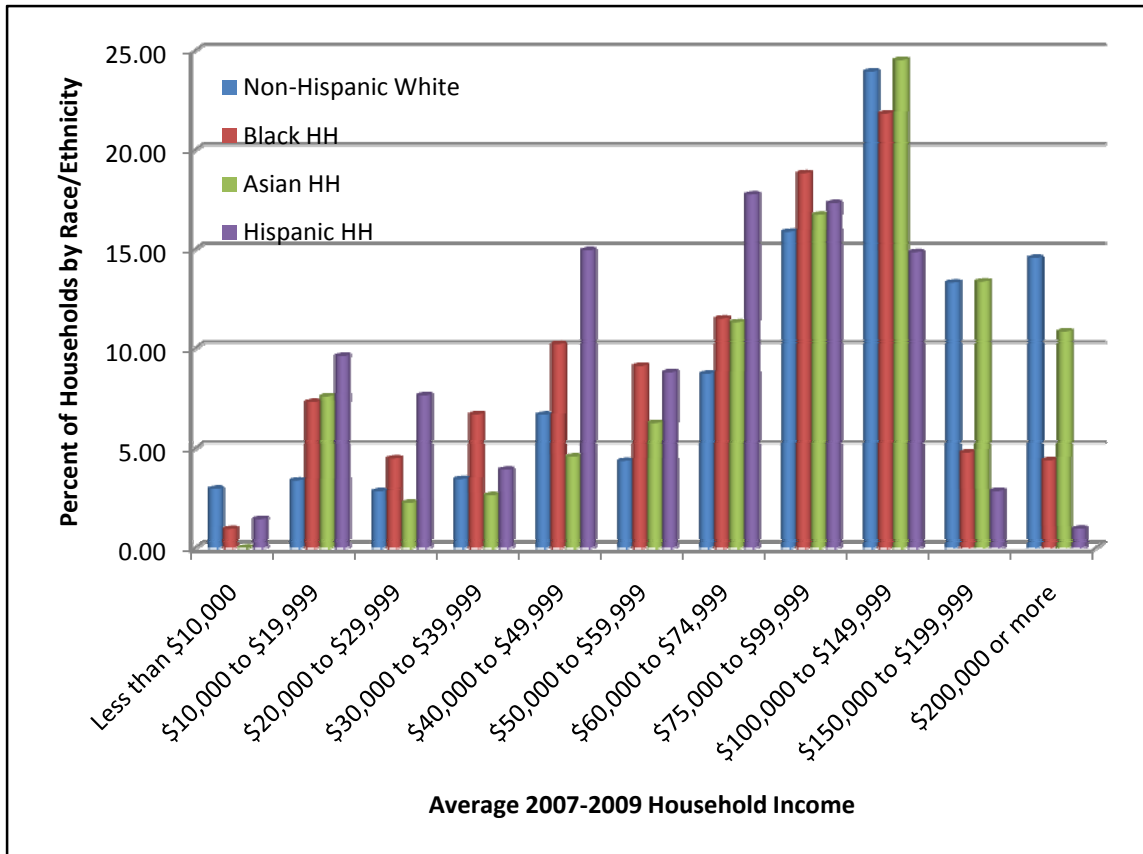
Locational Discrimination: Developers seeking to place Low-Income Housing Tax Credit (LIHTC) properties or other properties such as Section 811 apartments for the disabled in a neighborhood often meet with resistance. The jurisdiction must send written acknowledgement that it approves of the project and that the project complies with the Consolidated Plan of the jurisdiction. Also, the developer must notify the public of its intent, giving the neighbors an opportunity to voice their opinions. Neighborhood organizations and municipalities can effectively redline areas to prevent the development of affordable or specialized housing units.

Fair Housing Versus Affordable Housing

Fair housing does not directly address the issues of affordable housing. The inability for a household or group to afford certain housing is not in and of itself a Fair Housing Act violation. The Fair Housing Act and Civil Rights Related Program Requirements do not directly legislate the policies of a jurisdiction or housing market that influence housing costs. Market realities and local land use and zoning ordinances determine housing costs and may not be necessarily discriminatory. However, if cost disparities are either directly or indirectly related to discriminatory policies or actions, then the barriers to *affordable* housing choice can become impediments to *fair* housing choice. An example of such a situation might be when the vast majority of low- to moderate-income residents of a community are of one or more minority groups protected by the Fair Housing Act and the only housing available to them is unaffordable or housing affordable to them is unsafe, then there would be a violation of the Fair Housing Act.

Despite the distinction between fair housing and affordable housing, historically, due in large part to the disparities in income, minorities – be they racial/ethnic minorities, disabled individuals, elderly or large families – are predominately low- to moderate-income in most communities. The following graph shows the income disparities in Missouri City between Anglos (non-Hispanic whites) and racial/ethnic minorities. While there are disparities in incomes, the greatest percentages of households for each of the racial/ethnic groups are in the \$75,000 to \$150,000 ranges, with the African American and Hispanic percentages exceeding the Anglos in the \$40,000 to \$99,999 ranges. In addition, the disparities in Missouri City are far less than within the remainder of the Metropolitan Statistical Area (MSA).

**Figure 3 -- 2007-2009 American Community Survey
Ethnic Population by Income Range**



Missouri City is predominately minority in racial/ethnic composition with less than one-third of the population being non-Hispanic white. Missouri City's incomes are also higher than the remaining MSA.

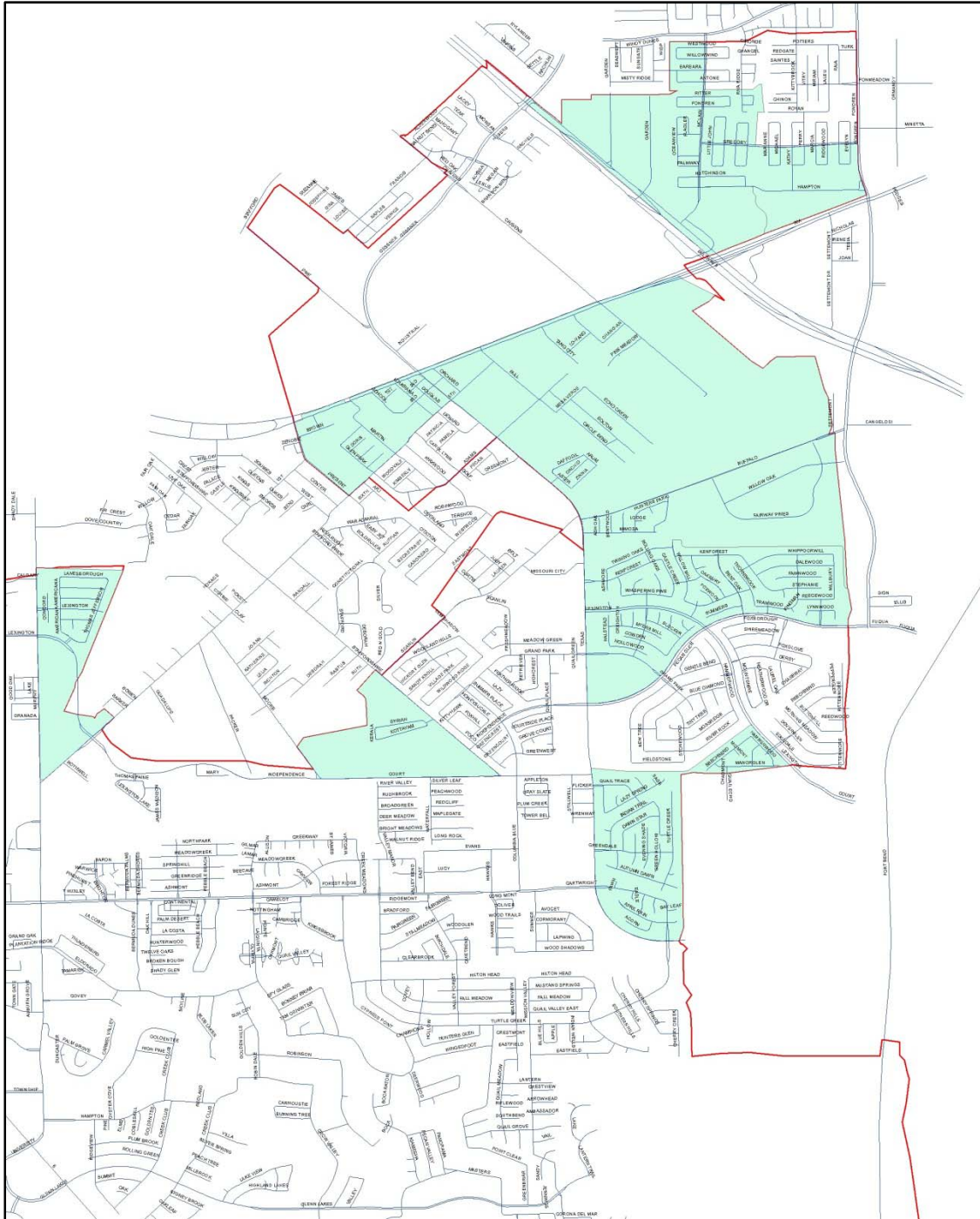
**Table 1 –Population by Race/Ethnicity
from 2007-2009 Census ACS**

Race/Ethnicity	Population	Percent
Non-Hispanic White	21,578	29.3%
African American	29,716	40.38%
Asian	11,446	15.55%
Hispanic	9,993	13.58%
Other	957	1.19%
Total	73,590	100%

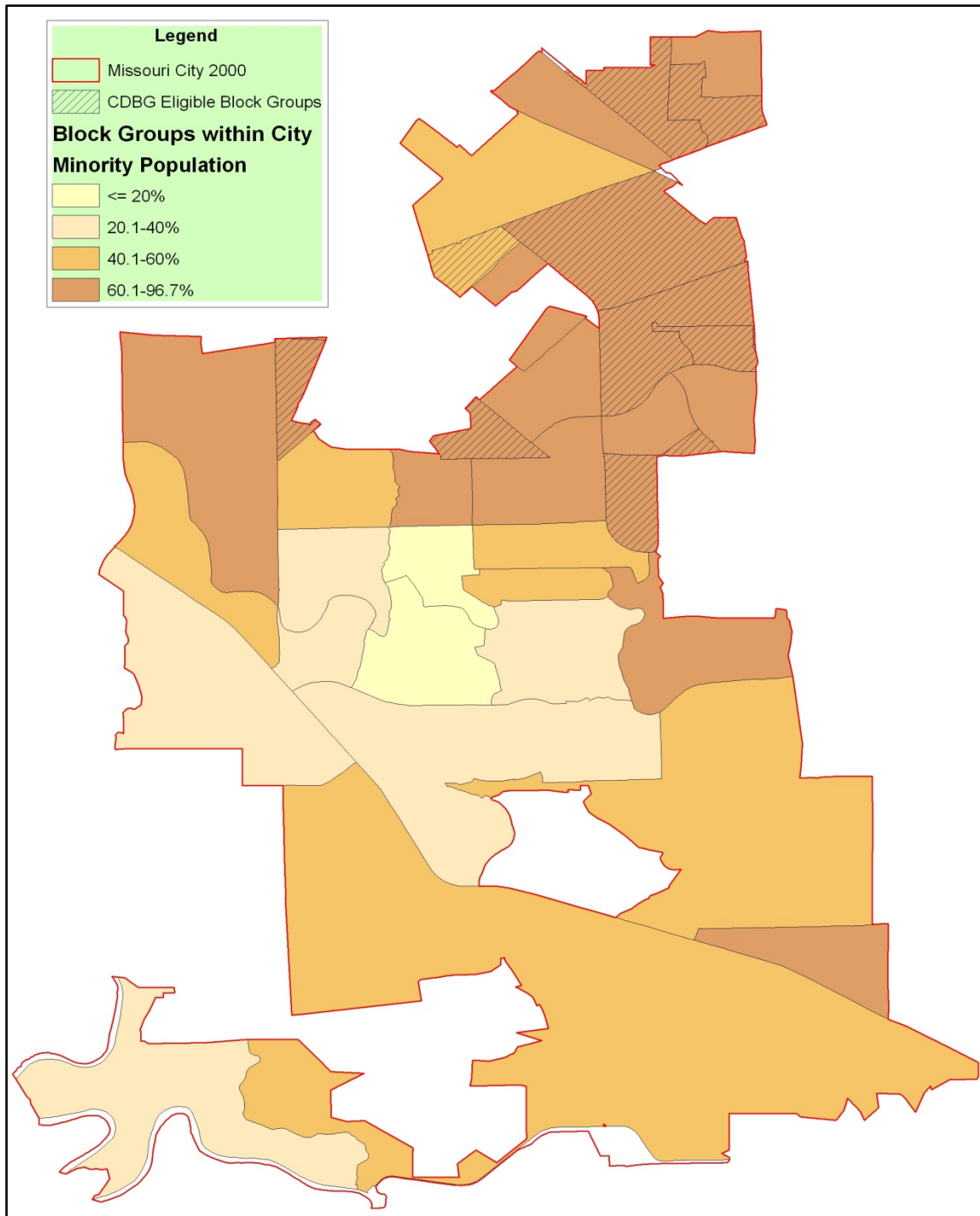
Below are maps that show the low-income and minority concentrations in Missouri City. Due to the relative wealth of Missouri City and the relative equal distribution of incomes throughout the city, HUD has set the predominately low- to moderate-income Target Areas at 33.5% low- to moderate-income. Based on the 2000 Census

and HUD's 2007 database, only 20% of the City's population resides in block groups with less than 40% minority population. Only 20.8% of the minority population lives in predominately low- to moderate-income neighborhoods, defined by HUD as 33.5% or greater low- to moderate-income households.

**Map 1 -- City-Wide Low-Mod Income from
2007 HUD Block Group Database**



**Map 2 -- City-Wide Minorities from
2000 Census & HUD by Block Group**



Analysis of Impediments to Fair Housing Choice in Missouri City

An Analysis of Impediments (AI) is a broad spectrum review of private and public practices and policies which may impact people's ability to choose housing in an environment free from discrimination. The stated purpose of the AI is to increase housing choice, identify problems and assemble fair housing information. (HUD Fair Housing Planning Guide, p. 2-4) The AI:

- Serves as the substantive, logical basis for Fair Housing Planning;
- Provides essential and detailed information to policy makers, administrative staff, housing providers, lenders and fair housing advocates; and
- Assists in building public support for fair housing efforts both within entitlement jurisdictions' boundaries and beyond.

The U.S. Department of Housing and Urban Development (HUD) requires entitlement jurisdictions to develop action plans to overcome the effects of identified impediments to fair housing choice (HUD Fair Housing Planning Guide, p. 2-1). Therefore, the Analysis of Impediments is the necessary first step in the Fair Housing Planning process.

The Analysis of Impediments includes the following elements:

- A comprehensive review of the Entitlement Community's laws, regulations and administrative policies, procedures, and practices;
- A comprehensive review of private and environmental conditions affecting fair housing choice for all protected classes;
- A comprehensive review of the results of resident input regarding housing needs and fair housing; and
- A summary of public and private regulations, policies, conditions and perceptions that create impediments to fair housing choice.

1. Comprehensive Legislative and Regulatory Review

The City of Missouri City has reviewed and analyzed the public policies affecting the development, availability, and cost of housing accessible to the protected classes. The City found that there were no policies that contributed to the concentration of racial/ethnic minorities or other protected populations, such as the disabled and large families. While the zoning ordinance does limit the development of multi-family units and the vast majority of the residential properties are zoned single-family, the city building codes do not impede or limit the development or improvement of affordable single-family housing in Missouri City. New developments within the city are selling single-family units for \$110,000 to \$120,000 with information for potential first-time buyers to seek first-time homebuyers assistance from State of Texas CHDO, making the homes available to moderate-income and some low-income households.

The city has several areas zoned for duplexes, patio homes, townhomes and condominiums, which, due to smaller lot sizes are more affordable than full-lot single-family units. The areas zoned for multi-family are surrounded by single family, duplex or patio home areas, increasing the heterogeneity of the housing types in Missouri City.

Minorities in Missouri City have not been concentrated, for the most part, into any section of the city. The city is majority minority, with only 29.3% being non-Hispanic whites. Only two block groups in the city have less than 20% minority populations and comprise the highest cost housing in Missouri City. The highest priced area in the City, south of Highway 6 and east of Sienna Parkway, with value between \$400,000 and \$2.6 million, has between 40% to 60% minority population.

The vast majority of the residential properties were constructed after 1980 under new building codes that ensure safer, lead-free and more accessible homes, though there are fewer low-cost houses constructed from the 1960s and 1970s during the Houston area's heaviest building boom.

Zoning: The City of Missouri City's Zoning Regulations, as adopted in 1981 and amended, and other land use policies do not appear to be a barrier to affordable housing. Requirements for minimum street frontage, setbacks, density requirements, or off-site improvements do not impose impediments to new or infill housing development. While the zoning requirements do favor conventional single-family home development over cluster development and multi-family development, they do not impede the development of affordable single-family housing on in-fill lots or in new subdivisions. Currently, there are new developments within the City advertizing single-family homes that are affordable to the moderate-income residents. The 2006 International Residential Code was adopted in 2008 by the City of Missouri City and amended in 2010 to address geological and climatic design criteria, specifically regarding areas prone to flooding and wind damage. The City's zoning ordinance does not set minimum building size requirements that exceed the local housing or health code and does not have language that prohibits group homes for the elderly or disabled.

Mobile homes constructed prior to 1976 are not allowed within the City of Missouri City, however manufactured homes constructed after 1976 are allowed in manufactured home parks. Existing manufactured homes are allowed outside of manufactured home parks providing they have received permits from the City, are placed on a pad or foundation, are connected to utilities within 48 hours, and have a driveway.

Due to the newness of most of the developments in Missouri City and its nature as a bedroom suburb to the City of Houston, housing sizes are generous and adequate for large families. Even in the lowest-cost areas of the city, single family houses range from 1,500 to 2,500 square feet.

Building Codes: The City of Missouri City has adopted the 2006 International Building Code and its amendments. The building codes include the 2006 editions of the International Building Code, International Plumbing Code, International Fuel Gas Code, International Mechanical Code, International Residential Code, and International Property Maintenance Code and the 2010 Electrical Code. The 2009 International Energy Conservation Code has been adopted for multi-family and non-residential structures, with energy conservation regulations outlined in the Residential Code. All of the codes within the Building Code Chapter are necessary in the interest of safeguarding the health and safety of the residents. None of the codes add local amendments that put an undue

burden on developers or increase the cost of the dwellings in a manner that could be perceived as a barrier to fair housing choice.

All of the building codes are reasonable standards for construction and rehabilitation in the City and do not appear to hinder the development of affordable housing but rather enforce acceptable building standards to ensure the health and safety of residents residing in affordable housing units.

Fair Housing Ordinance: The City of Missouri City does not have a Fair Housing Ordinance at this time.

Tax Issues: At this time, the City does not offer tax incentives to encourage the development of affordable housing. All ordinances involving ad valorem taxes follow the State of Texas Constitution and laws as set out in the Texas Tax Code. The City does provide homestead exemptions on residents' homesteads for the elderly and the disabled. In accordance with the state constitution, City Council exempts \$15,000 of the appraised value for elderly homeowners and \$10,000 of appraised value for disabled homeowners. However, disabled elderly are only eligible for one exemption.

City Boards: The City of Missouri City provides opportunities for citizen input and involvement in the planning and development process through the following Boards:

The Planning and Zoning Commission consists of nine residents who own property in Missouri City. The Planning and Zoning Commission is the final authority on applications concerning the subdivision of land and makes recommendations to City Council regarding applications for amendments to the Missouri City Zoning Map and Zoning Ordinance.

The Zoning/Construction Board of Adjustment and Appeals consists of 5 regular and 4 alternate members and was established to hear appeals in the enforcement of the Zoning Ordinance.

The Construction Board of Adjustment and Appeals consists of 5 regular and 2 alternate members, all of whom reside in Missouri City. The board hears appeals in the enforcement of the Fire, Housing and Building Codes.

The Electrical Board consists of 5 members including a representative from Center Point Energy, a citizen representative and master electricians and electrical engineers. The board hears appeals in the enforcement of the Electrical Code.

The Missouri City Development Authority consists of the Mayor and City Councilmembers. The authority is responsible for the management of all Public Improvement Districts (PIDs) and Tax Increment Reinvestment Zones (TIRZs) created by the city. The purposes of the board are as follows:

- Act for the city in the city's PIDs and the TIRZs
- Develop policies of the finance development within the PIDs and TIRZs
- Implement project plans and financing plans

- Issue bonds with the City Council's consent (note: bonded indebtedness, loans, or other obligations issued by the Missouri City Development Authority are not a debt of the city)

The Parks Board consists of 11 residents of Missouri City and serves in an advisory capacity to City Council on parks and recreation policy matters.

The Missouri City Recreation and Leisure Local Government Corporation is comprised of the Mayor and City Councilmembers. The specific objectives and purposes of Missouri City Recreation and Leisure Local Government Corporation are to aid and assist the City in providing a first class system of parks and recreational facilities to promote a healthful environment within the City of Missouri City.

The Tax Increment Reinvestment Zone (TIRZ) Boards make recommendations to the City Council concerning the administration of the zones. They also prepare (or cause to be prepared) and adopt a project plan and reinvestment zone financing plan for the zones, and submit plans to the City Council for its approval. Residents and property owners within each TIRZ sit on the boards. A portion of TIRZ #1 falls in the CDBG Target Areas and serves predominately low- to moderate-income residents.

Code Enforcement: The City recognizes that the enforcement of property codes is essential to the maintenance of quality housing stock and neighborhoods. Inspections are conducted on upgrading existing housing and buildings, existing signs, litter, junk/abandoned vehicles, weeded lots and care of premises to prevent the spread of environmental decay. In response to identified needs in lower-income areas, the City has dedicated a portion of its CDBG grant to code enforcement activities. One aspect of the code enforcement activities is to ensure that Real Estate Owned properties – those foreclosed upon and owned by the mortgage companies or developers – are maintained in accordance with City codes and that there is not a disparity between the maintenance of REO properties in predominately minority and predominately white neighborhoods or between REO properties in predominately low- to moderate-income and predominately higher-income neighborhoods.

Land and Environmental Issues: The vast majority of the area inside the city limits of Missouri City is outside of a floodplain. The city is located more than 5 miles from the Sugar Land Municipal Airport, the nearest airport, and is not impacted by the fly zones. Residential areas are not impacted by brownfields, hazardous waste sites or any other environmental issues. In general, there are no land or environmental constraints posing barriers to the development of housing in Missouri City.

Public Housing Issues: The City of Missouri City nor Fort Bend or Harris Counties in which the City lies have public housing. Rosenberg, in conjunction with Fort Bend County, and Harris County do each have a Section 8 Housing Choice Voucher program and participants are eligible to select housing of choice within Missouri City.

School District and Education: The public educational system is basically equal across all areas of the city. Of the two elementary schools which are either in the CDBG Target

Area or primarily serve the CDBG Target Area, the staff and teachers mirror the students in race/ethnicity and are paid, on average, more than the teachers in higher-income areas of the city. Class sizes and student:teacher ratios are smaller in the lower-income elementary schools than in the remaining elementary schools in the city and are lower than the district as a whole and the state.

Despite the disparity in the percent of economically disadvantaged and the average incomes of the areas served, the elementary schools are predominately minority, verifying that there is virtually no segregation in Missouri City and that the city is predominately minority in racial/ethnic composition. Additionally, even the schools in the higher-income areas have a significant number of economically disadvantaged students, indicating economic heterogeneity throughout the city. Average student:teacher ratios, teacher salaries and programmatic/instructional expenditures per student vary among the elementary schools, with no apparent bias in favor of the schools with higher incomes and higher percentages of non-minority students.

Table 2 –Elementary School Data

	Jones	Glover	Quail Valley	Lantern Lane	Palmer
Relative Average Area Income	Low-mod	Moderate	Middle	Middle	Middle-high
CDBG Target Area	In	Serves	Out	Out	Out
% Economically Disadvantaged	74.2%	63.5%	36.7%	49.7%	20.6%
% African American	50.9%	86.3%	49.2%	63.0%	44.2%
% Hispanic	47.7%	12.0%	17.0%	23.0%	11.3%
% Asian	0.8%	0.5%	8.9%	1.1%	23.9%
% non-Hispanic white	0.5%	1.1%	24.1%	12.8%	20.4%
% Other race	0.1%	0.1%	0.8%	0.1%	0.2%
Student:Teacher Ratio (district = 15.8; state = 14.5)	14.4	15.6	15.0	14.8	15.8
Average Teacher Salary (district = \$51,846; state = \$48,263)	\$50,292	\$50,095	\$51,479	\$51,960	\$50,789
Programmatic/Instructional Expenditures per student	\$5,345	\$6,122	\$6,487	\$5,492	\$5,027

2. Comprehensive Review of Private Conditions and Issues

Accessibility Issues: The lack of rental housing that is accessible to the disabled is another obstacle to meeting the underserved needs in most communities. Missouri City is a young community and all but one apartment complex was constructed in the late 1990s and early 2000s, complying with the Fair Housing Act's accessibility standards and the International Building and Residential Codes. Springfield, Willow Park and Gateway at

Sienna Plantation all have accessible units meeting the ADA and Fair Housing standards. All first floor units have accessible entrances, accessible parking and wide exterior and interior doors. Willow Park has 24 units (9.2%) specifically designed for the disabled, including grab bars in the bathrooms and accessible light switches and counters. Quail Valley apartments, built in 1979, were not constructed with handicapped accessible units, however the complex does modify units as needed for disabled residents. Currently 3 of the units have been modified with ramps, widened doors, lower counters and grab bars in the bathrooms.

According to HUDUser's 2008 data on subsidized housing, 168 rental units in Missouri City were occupied by Section 8 Housing Choice Voucher participants. Of these 12% of the households had at least one disabled individual and their rental units were accessible and passed Housing Quality Standards inspection by the Section 8 staff.

Affordability Issues: The income level of the household directly influences the rental or purchase options of any housing unit. According to the Census Bureau's 2007-2009 American Community Survey, of the 24,367 occupied housing units within the City of Missouri City, 89.3% are owner-occupied. While only 10.7% of the occupied units are renter-occupied 48.4% of the rental units pose a cost burden for the tenants, costing 30% or more of their income for housing. Conversely, only 32.38% of owned units with a mortgage and 18.27% of owned units with no mortgage have a housing cost burden. The higher the income, the lower the percent of residents with a cost burden. The table below shows the households by tenure, income and cost burden.

**Table 3 – Percent of Housing Units by Housing Costs as Percent of Income¹
2007-2009 American Community Survey**

Percent of HH Income Spent on Housing	Renter HH	Owner HH with Mortgage	Owner HH with no mortgage	Owner < \$20K Income	Owner \$20K-\$34.9K Income	Owner \$35K-\$49.9K Income	Owner >=\$50K Income
< 20%	24.86	36.02	69.53	2.20	1.52	8.91	50.80
20-24.9%	13.45	16.36	5.73	0.00	4.83	7.47	17.37
25-29.9%	5.27	14.76	6.47	2.36	1.93	11.62	15.24
30-34.9%	7.62	8.75	2.25	3.09	6.07	12.01	7.65
35% or more	40.80	23.63	16.02	86.49	85.66	59.99	8.94
Not computed	7.99	0.48	0.00	5.86	0.00	0.00	0.00

¹ The number of renter-occupied housing units is too small to report by household income

Renter Affordability: As can be seen in the table above, nearly half of renters (48.42%) have a housing cost burden (30% or more of income). The median rent reported in the 2007-2009 American Community Survey was \$1,370, requiring an income of \$54,920 per year to not have a housing cost burden, which is just over the moderate-income level. The following 2011 information was provided by the National Low Income Housing Coalition for the Houston-Baytown-Sugar Land Metropolitan Area as a whole:

- An very low-income household (0-30% of median) could afford a monthly rent of no more than \$495.00 while the 2011 Fair Market Rent for a two-bedroom is \$830.00.
- A disabled person living on SSI could afford a rent of no more than \$202.00 per month, while the Fair Market Rent for a zero-bedroom efficiency unit is \$690 and for a one-bedroom unit is \$767.00.
- A minimum wage earner can afford a monthly rent of no more than \$377.00.
- A worker earning the minimum wage must work 100 hours per week in order to afford a two-bedroom unit at the Fair Market Rent.
- The wage needed to afford a two-bedroom unit at the Fair Market Rent is \$17.90 per hour.

The table below shows the area's 2011 Fair Market Rent (FMR) for the Houston-Baytown-Sugar Land Metropolitan Area and the Missouri City rents advertized in June 2011. Following is a table that details the rent ranges by the type of units for rent as taken from apartment guides, newspaper classifieds, forrent.com and apartmentratings.com.

Table 4 – 2011 FMRs and Actual Market Rents

Unit Size	2011 HUD Fair Market Rent	Actual Market Rent
0 bedroom	\$661	\$623-\$938
1 bedroom	\$735	\$465-\$1,010
2 bedroom	\$892	\$750--\$1,427
3 Bedroom	\$1,189	\$1,270-\$1,480
4 Bedroom	\$1,495	Data not available

The apartments in Missouri City rent from \$720 for the least expensive advertised 1-bedroom to \$1,535 for the most expensive advertised 3-bedroom. No 4-bedrooms were advertised. Though there are few apartments in Missouri City, there are an extensive number of single-family homes, townhomes and condos for rent.

The average rents from June 2011 for Missouri City are detailed below:

Table 5 – Average Rents by Year and Size and Type of Unit

Type	1 Bedroom	2 Bedroom	3 bedroom	4+ Bedroom
Apartment	\$760	\$966	\$1,209	N/A
Condo	N/A	\$950	N/A	N/A
Townhome	N/A	\$712	\$1,118	N/A
Single-family	N/A	N/A	\$1,154	\$1,575

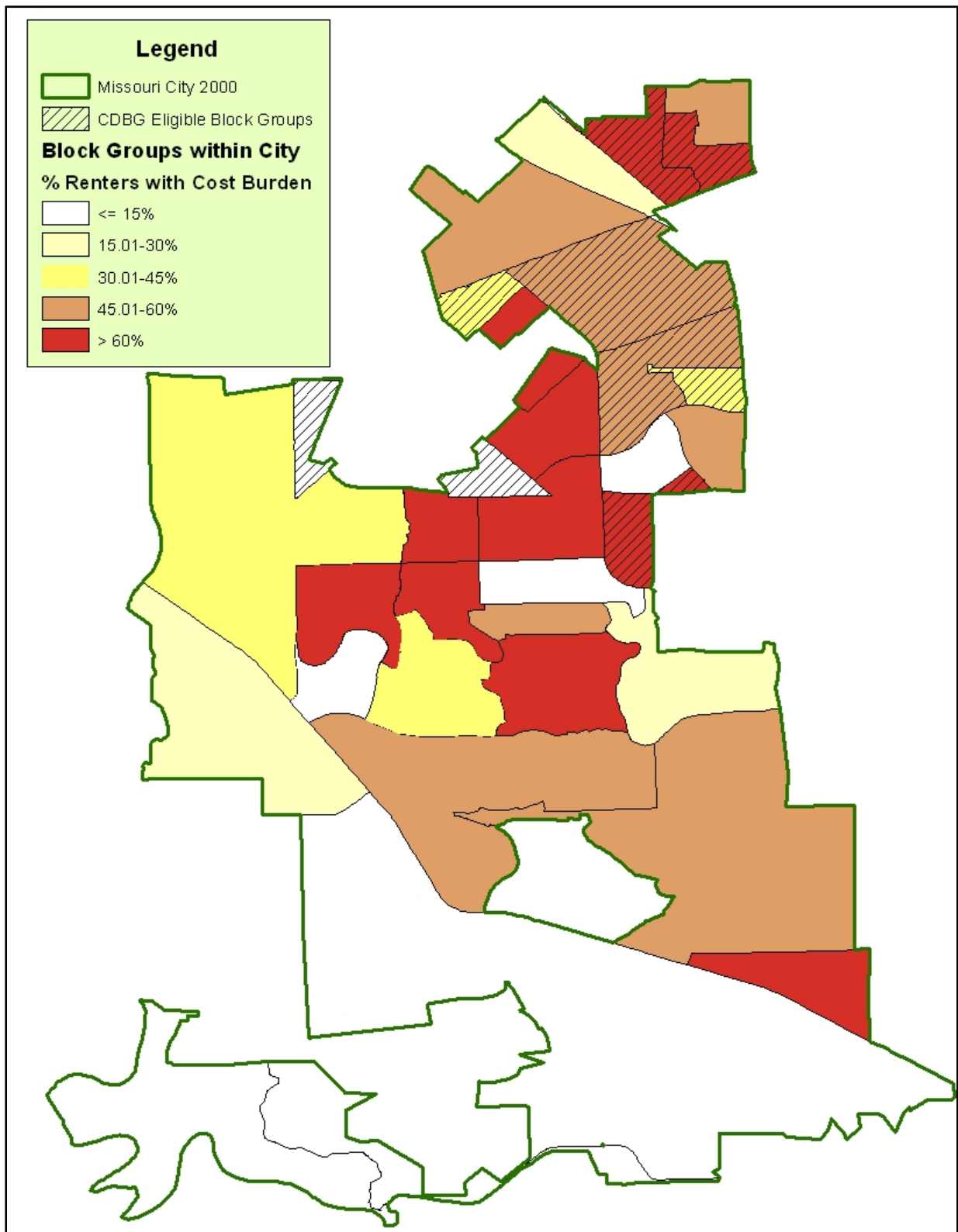
Table 6 – 2007 Estimates of Renter Households Below 80% of Median Household Income &

Having a Housing Cost Burden And/Or Other Housing Problems*

Income Ranges for Average Sized Household (HUD Income Limits for 2007-2009)	Estimated Number of 2007-2009 Renter Households	Estimated Number of Renter Households Paying 30% or More on Rent	Estimated Number of Renter Households Paying 30%+ and Having Other Housing Problems
\$0-\$19,999	347	N/A	N/A
\$20,000-\$34,999	486	N/A	N/A
\$35,000-\$49,999	481	N/A	N/A
Total Renter Households Eligible for Assistance	1,314		
Total Renter Households in Missouri City	2,164	1,048	138
Percent of Eligible Renter Households	60.72%	48.43%	99.72%

**Sources: Census ACS 2007-2009, HUD 2009 Low-Moderate Income Limits*

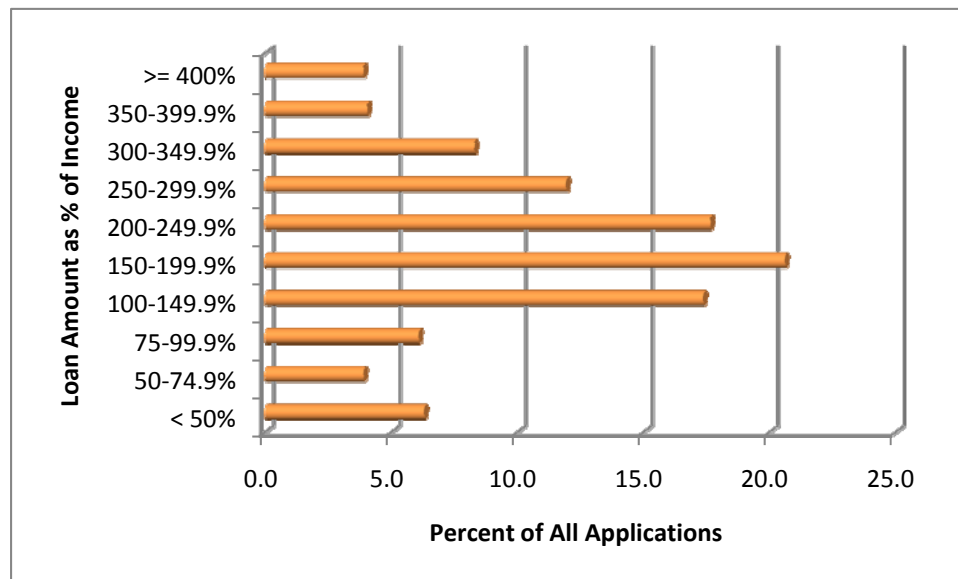
Map 6 –Percent of Renters with Housing Cost Burden



Subsidized housing is one method to alleviate the cost burdens of low-income residents. The City of Missouri City does not have a public housing agency providing subsidized units to the very low- and low-income. However, Fort Bend County and Harris County do maintain a Section 8 Housing Choice Voucher program throughout the two counties, including Missouri City. According to the HUDUser data base of subsidized housing units, in 2008, 168 rental units in Missouri City were occupied by recipients of Section 8 Housing Choice Vouchers. Of these households, 96% had female heads of household, 12% were headed by an adult with a disability and 98% were occupied by racial/ethnic minorities.

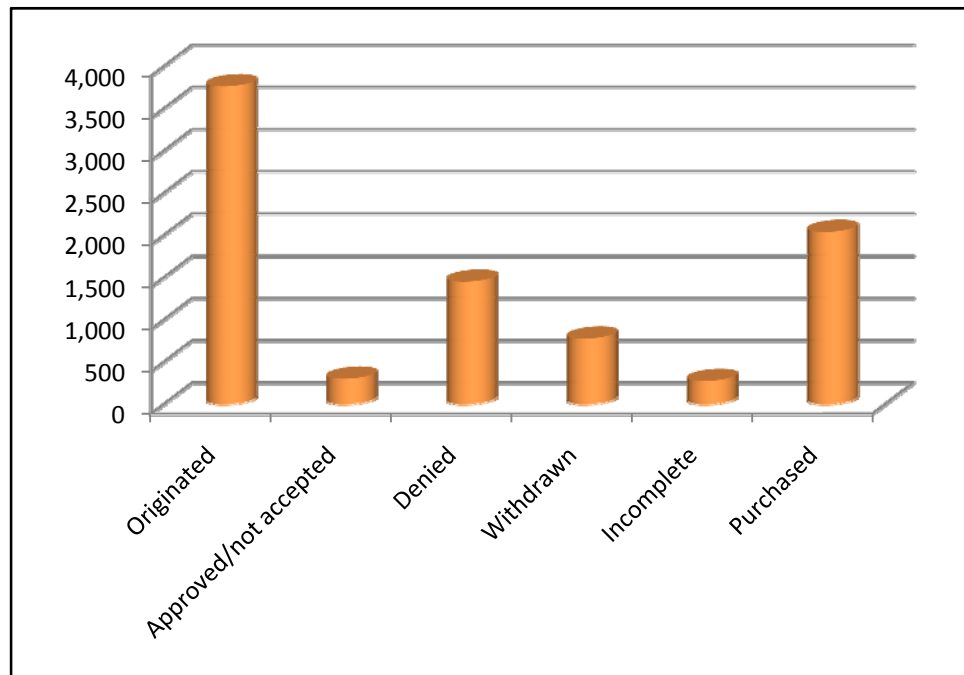
Ownership Affordability: The data provided by banks and mortgage companies to the Federal Financial Institutions Examination Council (FFIEC), and reported in the 2010 Home Mortgage Disclosure Act database, indicates that 8,597 loan applications were submitted in 2010 with a total of 1,281 being denied for one or more reasons. Of the 8,597 applications, 3,855 (44.8%) were for the purchase of a home; 4,433 (51.6%) were for refinancing an existing home, and 309 (3.6%) were for home improvement loans. The applications were divided equally between minority and non-minority applicants, with 4,193 (48.8%) being minority and 4,404 (51.2%) being non-minority applicants. As can be seen by the following graph, the majority of the mortgages were placed for 1 to 3 times the annual income.

Figure 4 – Percent of 2010 Mortgage Applications by Loan Amount as a Percent of Income



The graph below shows the disposition of the applications:

Figure 4 -- Mortgage Loan Applications in 2010 by Disposition



The graph below shows the primary reason for the denials for all applications, followed by a comparison between minority and non-minority applicants. As can be seen, there is very little variation by minority status. One primary indication of possible discrimination is the lending institutions giving "other" as the reason for denial at a much higher rate for minority applicants. As can be seen, in Missouri City there is less than a 1 percentage point difference between minorities and non-minorities being denied for unspecified "other" reasons. This indicates that there is no apparent discrimination in the approval process where racial/ethnic minorities are concerned.

Figure 5 -- Mortgage Loan Applications Denied in 2010 by Reason for Denial

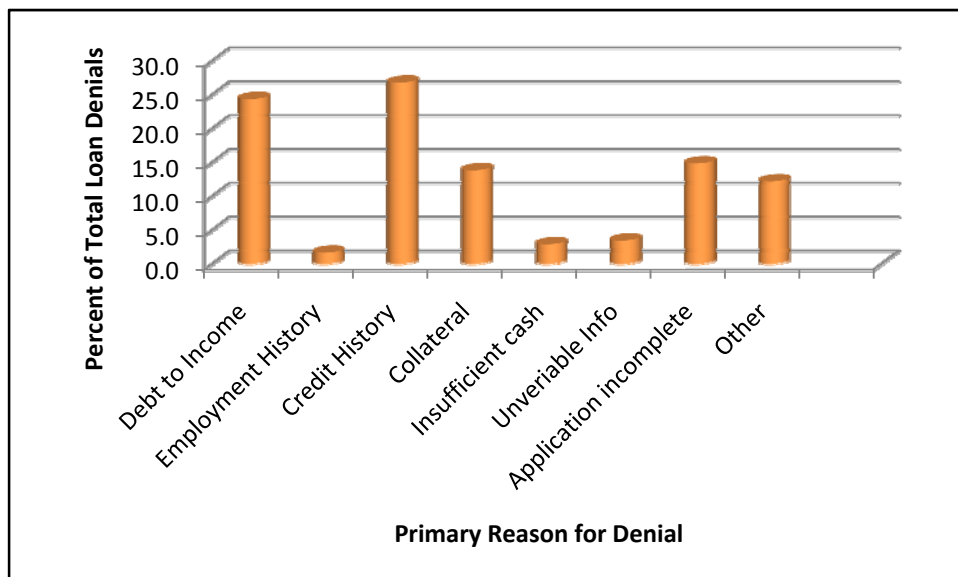
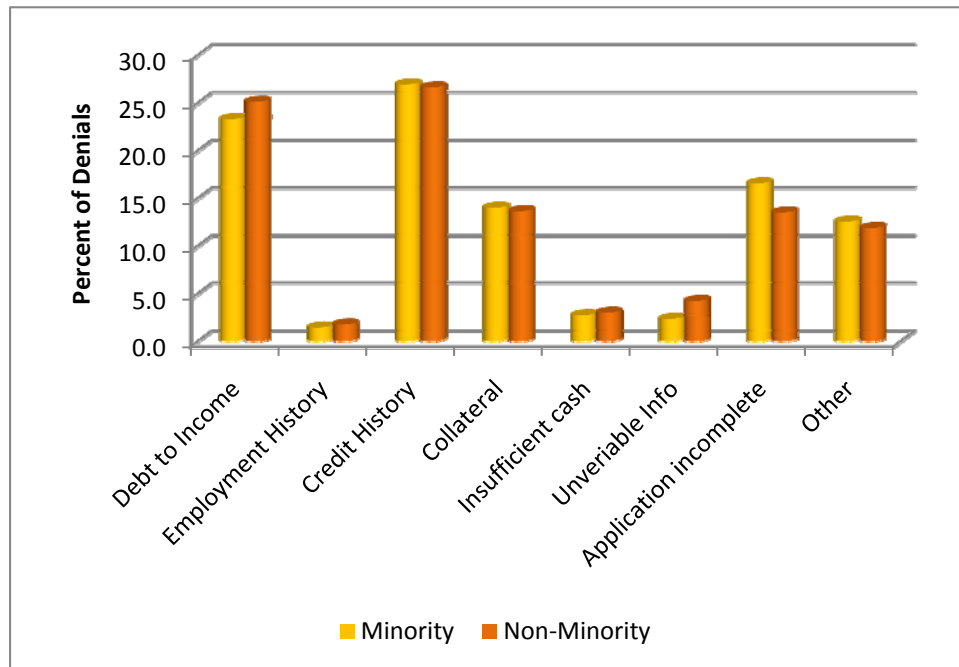
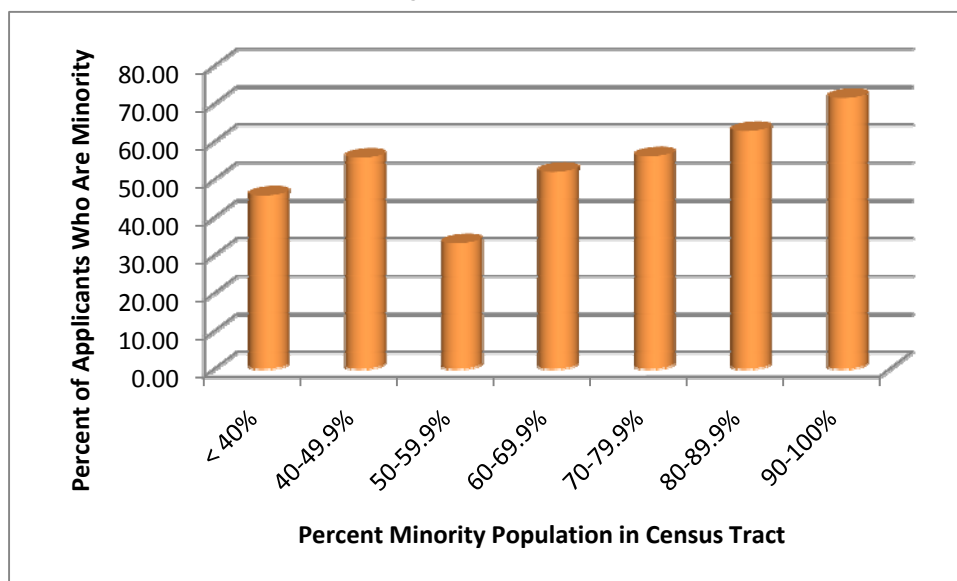


Figure 6 -- Mortgage Loan Applications Denied in 2010 by Minority Status and Reason for Denial



Missouri City is majority racial/ethnic minority in composition, and as the graph below illustrates the rate of minority population in the area's Census Tracts and the rate of minority mortgage applicants by Census Tract correlate.

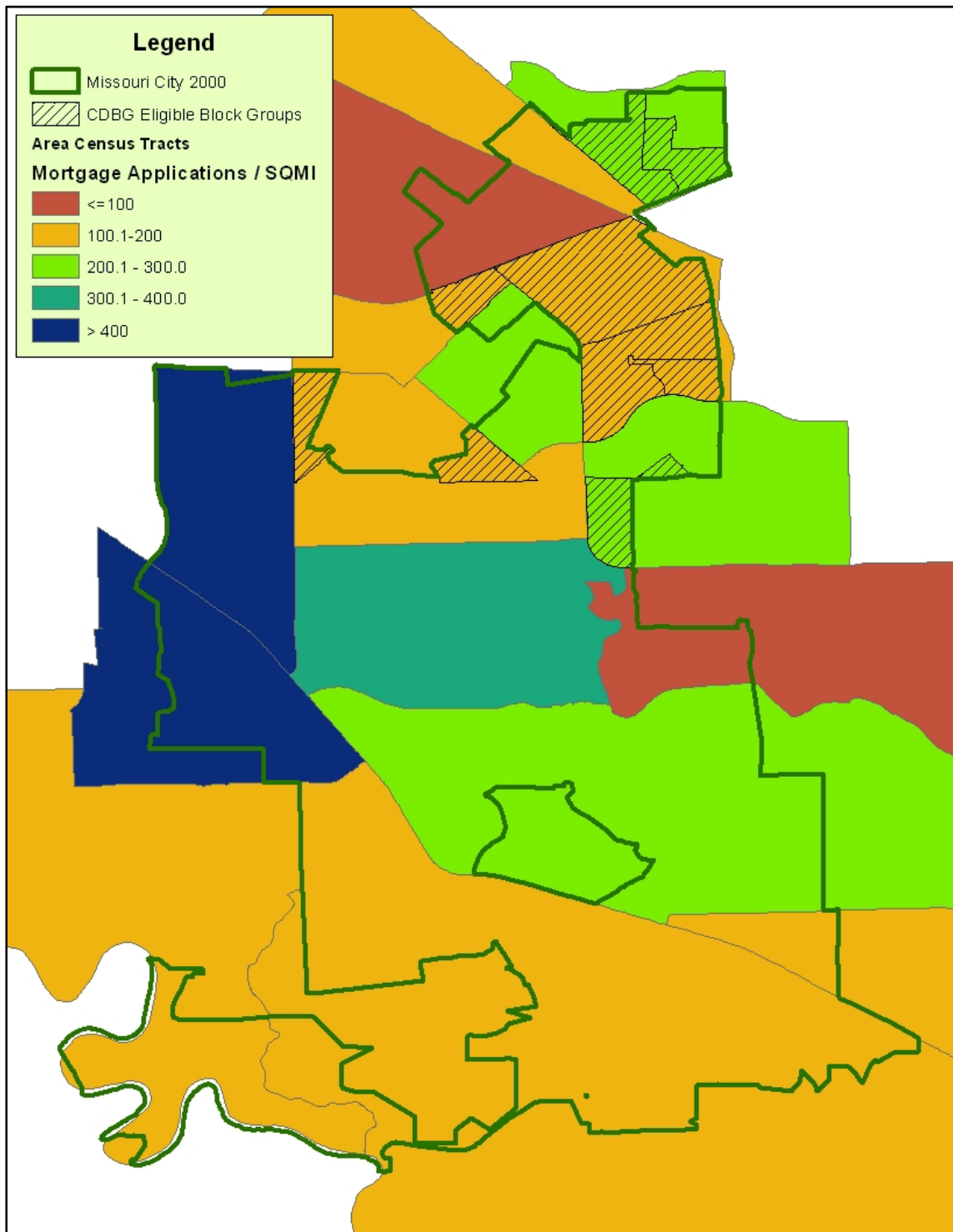
Figure 7 – Percent Minority Mortgage Applicants by Percent Minority Population in Census Tract



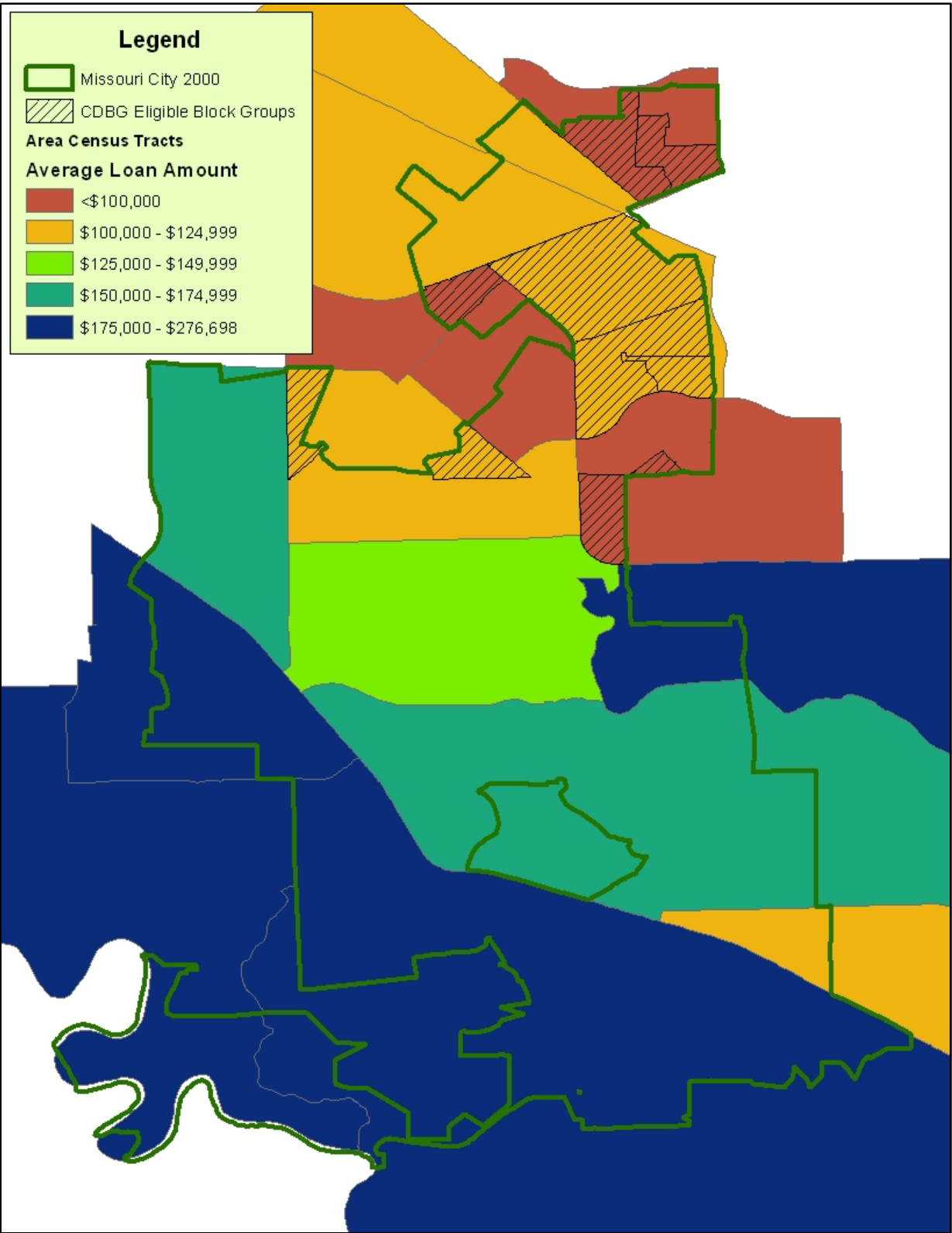
The following maps show the various characteristics of the mortgage applications by Census Tract. The Home Mortgage Disclosure Act data are not provided for partial Census

Tracts within City Limits, therefore the data are for whole Census Tracts that are encompassed in part or total by the City of Missouri City.

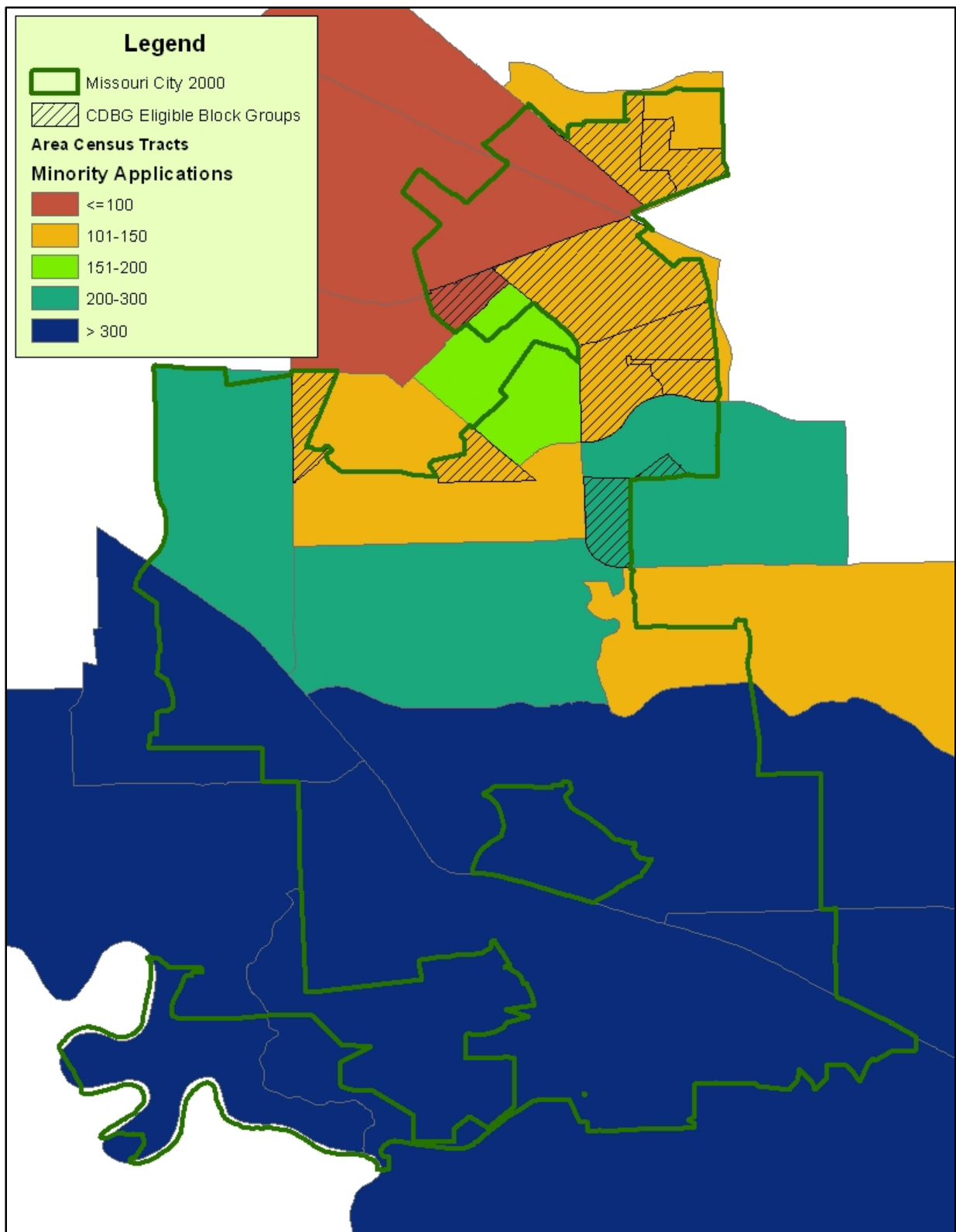
Map 7 – 2010 Loan Applications per Square Mile by Census Tract



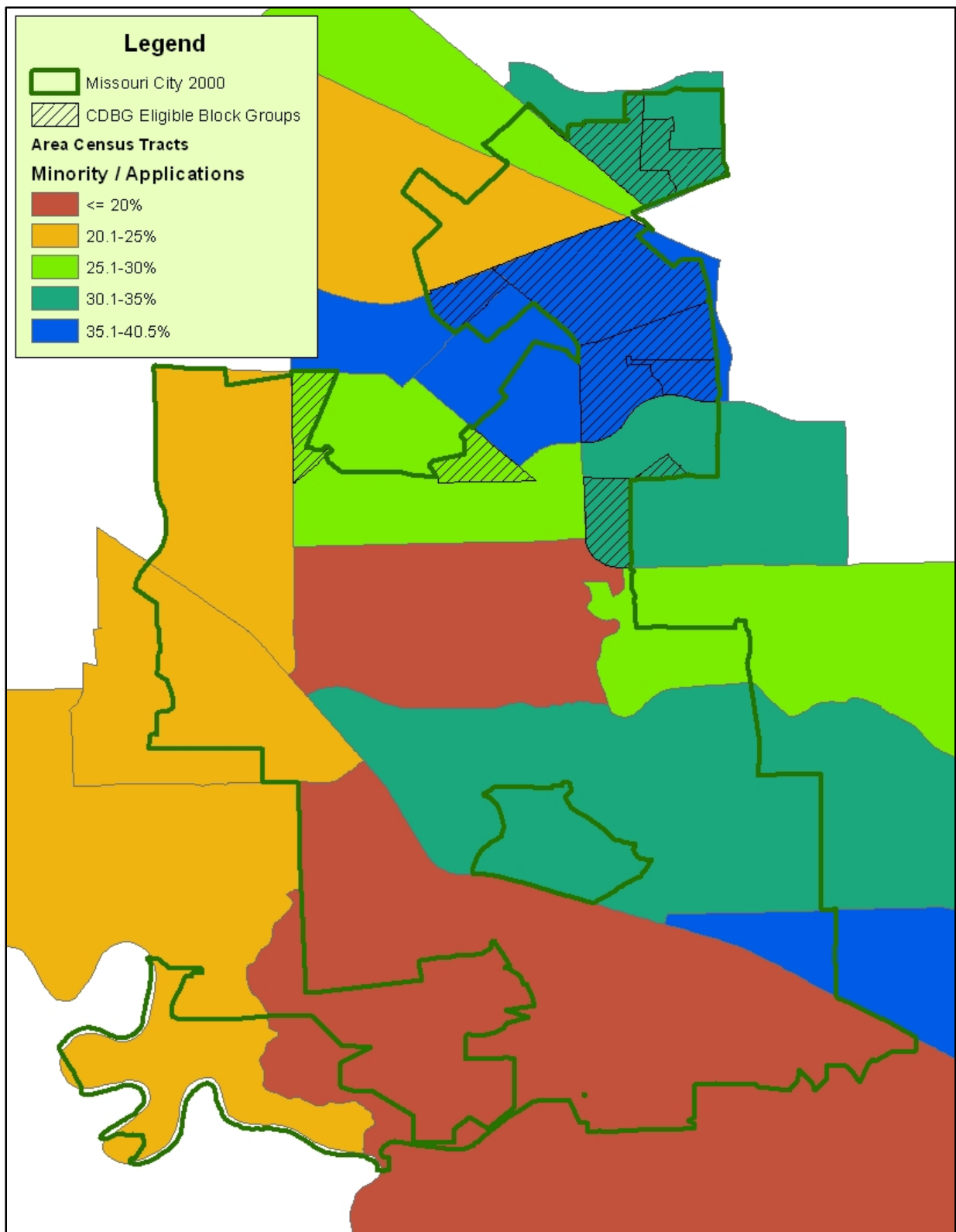
Map 8 – Average Mortgage Loan Amounts by Census Tract



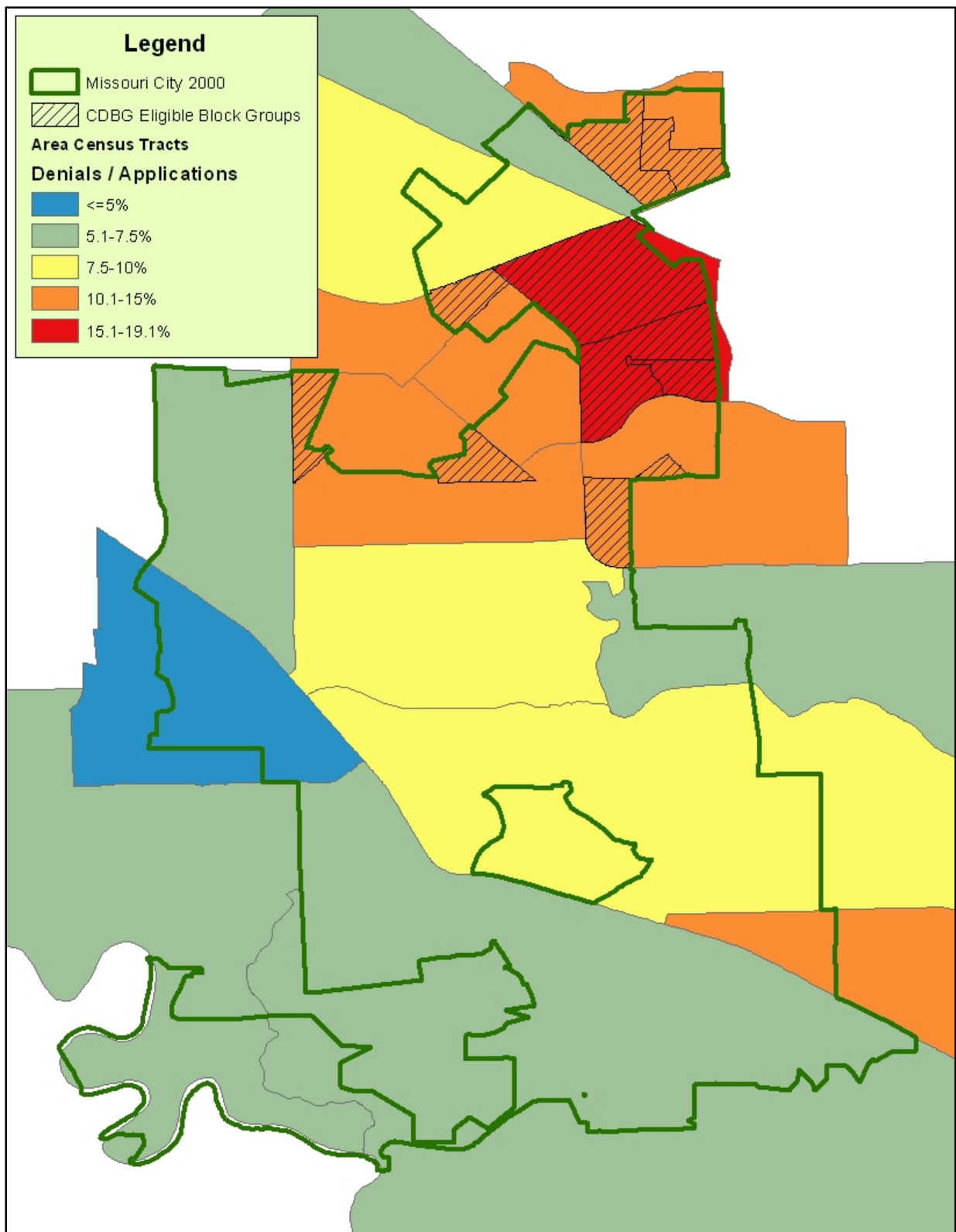
Map 9 – Minority Loan Applications by Census Tract



Map 10 – Percent Minority Loan Applications by Census Tract



Map 11 – Percent Mortgage Denials by Census Tract



One indication of discrimination and impediment to fair housing choice in a community is redlining, which occurs when a lender refuses to approve mortgages in certain

neighborhoods, mainly high minority or high low-income areas. As redlining is illegal and is not an allowed reason for denying an application, an indication of redlining as the cause of the denial is the denial being classified as “other”. A review of the 2010 HMDA data by Census Tract shows that there is not a significantly higher rate of denials stating “other” as the reason for the denial. From these data, it can be assumed that there is not an issue with mortgage lenders redlining in Missouri City. Likewise, only one application was denied due to the inability to secure mortgage insurance, another indication that redlining is not an impediment in Missouri City. No data exists to determine the level of homeowner insurance applications that are denied and why they are denied. Therefore, it is not possible to determine if redlining exists in the issuance of homeowner insurance.

Table 7 – Summary of 2010 HMDA Census Tract Data

Census Tract	Total Apps	Average Loan Amount	Denials	Percent Denied	Minority Apps	Minority Apps Denied	Percent of Minority Apps Denied	Minority Percent of Census Tract	Census Tract to MSA Income
423600	162	\$ 81,741	44	27.2	103	34	33.0	82.6	101.18
440100	109	\$ 113,633	17	15.6	63	14	22.2	78.11	110.14
670500	147	\$ 102,599	49	33.3	102	38	37.3	90.55	99.65
670600	302	\$ 83,156	98	32.5	219	77	35.2	96.97	108.99
670700	271	\$ 188,815	29	10.7	113	15	13.3	81.02	103.29
670800	538	\$ 117,777	108	20.1	374	65	17.4	80.66	105.66
670900	1,195	\$ 168,924	175	14.6	709	105	14.8	47.85	183.83
671000	578	\$ 125,811	105	18.2	219	42	19.2	35.77	154.14
671100	194	\$ 114,113	45	23.2	107	29	27.1	74.14	113.66
671200	211	\$ 99,374	45	21.3	152	29	19.1	83.47	103.33
671300	74	\$ 94,405	18	24.3	56	16	28.6	65.8	93.8
671500	509	\$ 156,464	74	14.5	247	48	19.4	61.64	184.07
671800	77	\$ 115,234	16	20.8	36	8	22.2	57.32	92.97
674300	726	\$ 203,775	87	12.0	362	51	14.1	41.96	177.04
674400	1,068	\$ 276,698	115	10.8	534	56	10.5	36.5	244.5
674500	2,436	\$ 229,648	256	10.5	797	105	13.2	50.16	173.76
Total	8,597	\$ 185,695	1,281	14.9	4,193	732	17.5	96.97	244.5

Housing Sales: Realty Trac lists 271 foreclosed single-family homes and condos for sale and Houston Area Realtors lists 818 single-family homes and condos for sale during the week of July 15, 2011. The units were located in two zip codes – 77489 and 77459 – and include the entire zip codes within and surrounding Missouri City. The map and accompanying graph in the figure below show the number of total units for sale or foreclosure by zip code, followed by a table of units by zip code and asking price.

Map 10 -- Housing Units For Sale by Asking Price by Zip Code (7/15/2011)

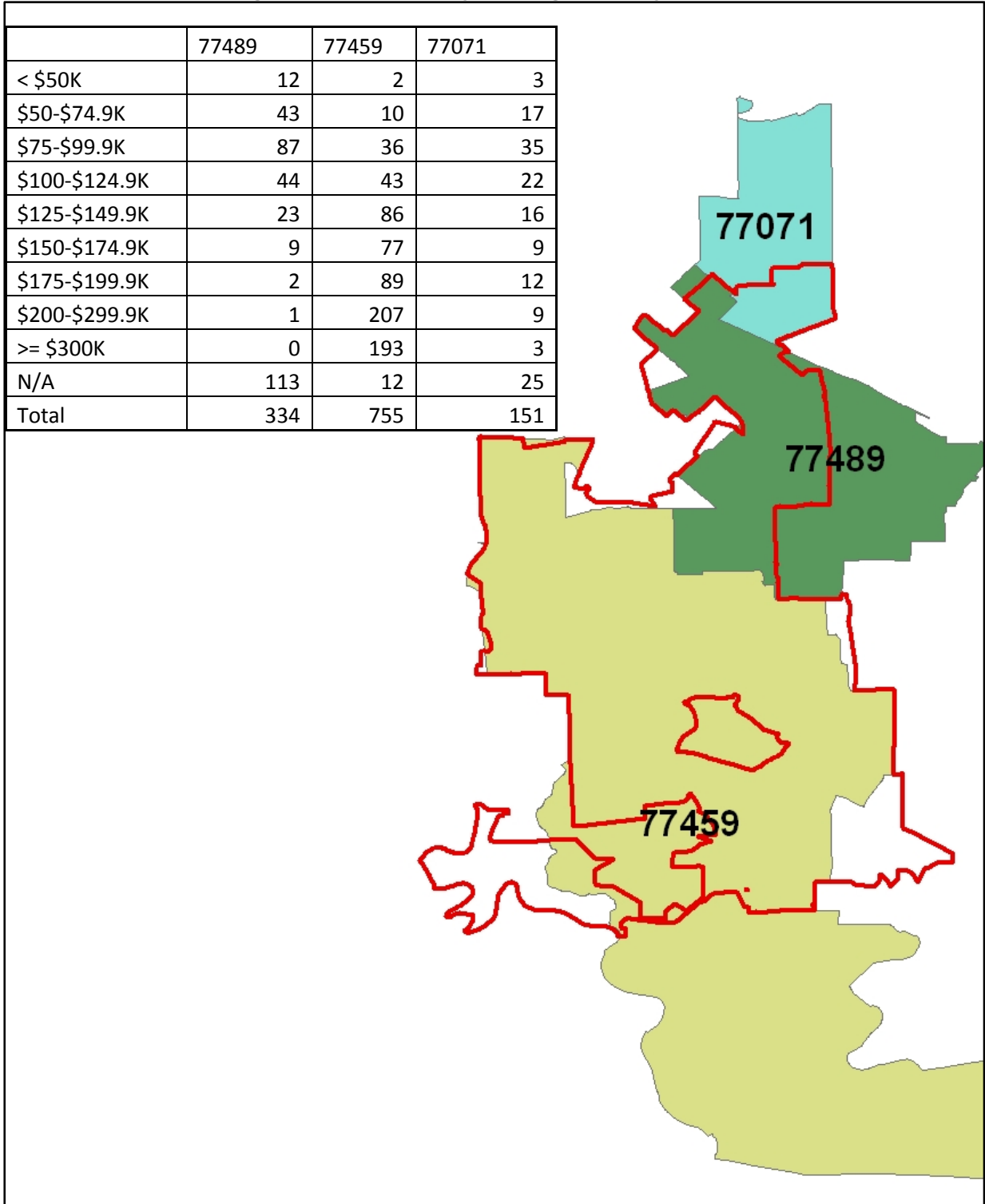


Table 8 – Housing Units for Sale by Zip Code & Asking Price (7/15/2011)

Asking Price	77489		77459		77071	
	Foreclosed	Market	Foreclosed	Market	Foreclosed	Market
< \$50K	0	12	0	2	0	3
\$50-\$74.9K	14	29	4	6	6	11
\$75-\$99.9K	27	60	9	27	13	22
\$100-\$124.9K	13	31	14	29	11	11
\$125-\$149.9K	7	16	16	70	5	11
\$150-\$174.9K	2	7	14	63	3	6
\$175-\$199.9K	0	2	12	77	3	9
\$200-\$299.9K	0	1	12	195	0	9
>= \$300K	0	0	2	191	0	3
N/A	113	0	12	0	25	0
	176	158	95	660	66	85

Assuming good credit and a low debt-to-income ratio, houses selling for under \$125,000 would be affordable to low- to moderate-income buyers with a first-time homebuyer's subsidy. This would mean that over 50% of the available units in 77489 and 77071 would be affordable, with 12% of those in 77459 being affordable to the low- to moderate-income.

General Housing Needs and Affordability: HUD provides a data and format in the Consolidated Plan Management Process Tool for identifying overall housing needs in an Entitlement Community. The 2000 format has been used to provide 2007-2009 averages from the 2007-2009 American Community Survey of the U.S. Census Bureau.

Table 9 – CPMP Housing Market Needs Table (2007-2009 Census ACS)

City of Missouri City						
Housing Market Analysis						
Housing Stock Inventory	Vacancy Rate	0 & 1 Bedroom	2 Bedrooms	3+ Bedrooms	Total	Substandard Units ¹
Units Rented/Owned						
Occupied Units: Renter		73	325	1,766	2,164	306
Occupied Units: Owner		96	411	17,539	18,046	347
Vacant Units: For Rent	11.6%	N/A	N/A	N/A	285	N/A
Vacant Units: For Sale	1.3%	N/A	N/A	N/A	235	N/A
Total Units Occupied & Vacant ²		N/A	N/A	N/A	20,730	N/A
Rents: Applicable FMRs		\$728	\$931	\$1,400		
Rent Affordable at 30% of 50% of MFI (in \$s)		\$651	\$773	\$937		
Public Housing Units³						
Occupied Units	N/A	N/A	N/A	N/A	N/A	N/A
Vacant Units	N/A	N/A	N/A	N/A	N/A	N/A
Total Units Occupied & Vacant		N/A	N/A	N/A	N/A	N/A

¹ Based on lacking some or all plumbing or kitchen and having > 1 person per room, does not include cost burden or other structural problems

² Unit size for post-Census 2000vacants not available

³ Public Housing Units not available – No public housing within Fort Bend County

Due to the small number of units by household income, there are no post-2000 data on the number of households with a housing cost burden by tenure and income. As a result, the data on cost burden by income and tenure are from the 2000 Census and the Comprehensive Housing Affordability Strategy (CHAS) of the U.S. Department of HUD.

Table 10 -- Housing Conditions by Income by Race/Ethnicity & Disability from 2000 Census and CHAS

		Household Income <=30% MFI	% with any housing problems	Household Income >30 to <=50% MFI	% with any housing problems	Household Income >50 to <=80% MFI	% with any housing problems	Household Income >80% MFI	% with any housing problems	Total Households	% with any housing problems
Non-Hispanic White	Renter	24	41.7	44	77.3	77	49.4	289	9.7	434	25.3
	Owner	107	68.2	174	77	413	57.6	6,323	9.6	7,017	15
	Total	131	63.4	218	77.1	490	56.3	6,612	9.6	7,451	15.6
African American	Renter	54	81.5	70	100	193	61.1	457	12	774	37.1
	Owner	120	73.3	214	95.3	588	75.2	4,598	16.6	5,520	27.2
	Total	174	75.9	284	96.5	781	71.7	5,055	16.2	6,294	28.4
Hispanic	Renter	20	100	28	85.7	114	47.4	38	10.5	200	51
	Owner	36	100	61	86.9	262	58	783	18.3	1,142	33.6
	Total	56	100	89	86.5	376	54.8	821	17.9	1,342	36.2
Asian	Renter	15	100	14	100	0	N/A	20	0	49	59.2
	Owner	48	79.2	44	90.9	140	67.9	1,248	20.4	1,480	28.9
	Total	63	84.1	58	93.1	140	67.9	1,268	20	1,529	29.8
Disabled	Renter	24	100	34	100	53	64.2	42	42.9	153	71.9
	Owner	32	25	104	76.9	166	50.6	1,273	10.9	1,575	19.7
	Total	56	57.1	138	82.6	219	53.9	1,315	11.9	1,728	24.4

The “housing problems” included in the above table are housing cost burden, overcrowding, lacking some or all plumbing and/or lacking some or all kitchen facilities. With only 44 housing units in Missouri City that are lacking some or all plumbing, and 9 of those also lacking some or all kitchen facilities, the primary indicators of housing problems are cost burden (> 30% of income for housing) and overcrowding (< 1 person per room). Both cost burden and overcrowding are a function of income, with overcrowding also being a function of household size and availability of housing units with sufficient number of rooms. Based on the 2000 data, minority renters in the very low- and low-income ranges have higher rates of housing problems than non-Hispanic whites. It should be noted, however, that the number of households in the lower income ranges are too small to result in any reliable conclusions.

The following table provides similar estimates from the updated 2006-2008 CHAS.

Table 11 – 2006-2008 CHAS Data of Occupied Units with 1 or More Housing Problems

	Renter Occupied						Owner Occupied					
	Total	Non-Hispanic White	African American	Asian	Hispanic	Other	Total	Non-Hispanic White	African American	Asian	Hispanic	Other
< 30% AMI	60	15	25	0	20	0	715	275	315	85	40	0
30.1-50% AMI	225	20	190	15	0	0	605	285	250	0	50	25
50.1-80% AMI	385	65	170	0	150	0	955	185	505	50	200	20
>80% AMI	200	0	10	45	130	20	2,485	560	1,280	435	175	35
Percent of Total												
< 30% AMI	32.4%	100.0%	19.2%	0.0%	50.0%	0.0%	97.9%	100.0%	100.0%	85.0%	100.0%	0.0%
30.1-50% AMI	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	89.0%	85.1%	100.0%	0.0%	100.0%	100.0%
50.1-80% AMI	77.8%	100.0%	69.4%	0.0%	100.0%	0.0%	74.6%	53.6%	100.0%	47.6%	69.0%	57.1%
>80% AMI	27.8%	0.0%	3.2%	42.9%	100.0%	100.0%	17.2%	9.6%	23.7%	26.2%	12.2%	15.2%

The shaded cells in the table above indicate instances where minority households have at least a 10 percentage point greater rate of housing problems than non-Hispanic whites. As can be seen, only the middle-income and more affluent minority renters and various income categories of minority homeowners have a higher housing burden than non-Hispanic whites. Based on the 2000 CHAS and the updated 2006-2008 CHAS, it is apparent that the disparity between racial/ethnic minorities and non-Hispanic whites has decreased significantly in less than a decade.

Economic Conditions: According to the 2007-2009 ACS data from the Census Bureau, the City of Missouri City has a much higher median household income than the Metropolitan Statistical Area (MSA) as a whole. Missouri City's median household income, in 2009 dollars was \$84,597 compared with the MSA's median household income of \$54,669. As with the MSA, the racial/ethnic disparities for Missouri City are significant, though not nearly as great for the entire MSA. The graph below shows the 2007-2009 median household income by race/ethnicity for Missouri City and the MSA, followed by a table showing the differences between the median incomes by race/ethnicity and the median incomes for all households.

Figure 8 – 2007-2009 Median Household Income by Race/Ethnicity for Missouri City & The MSA

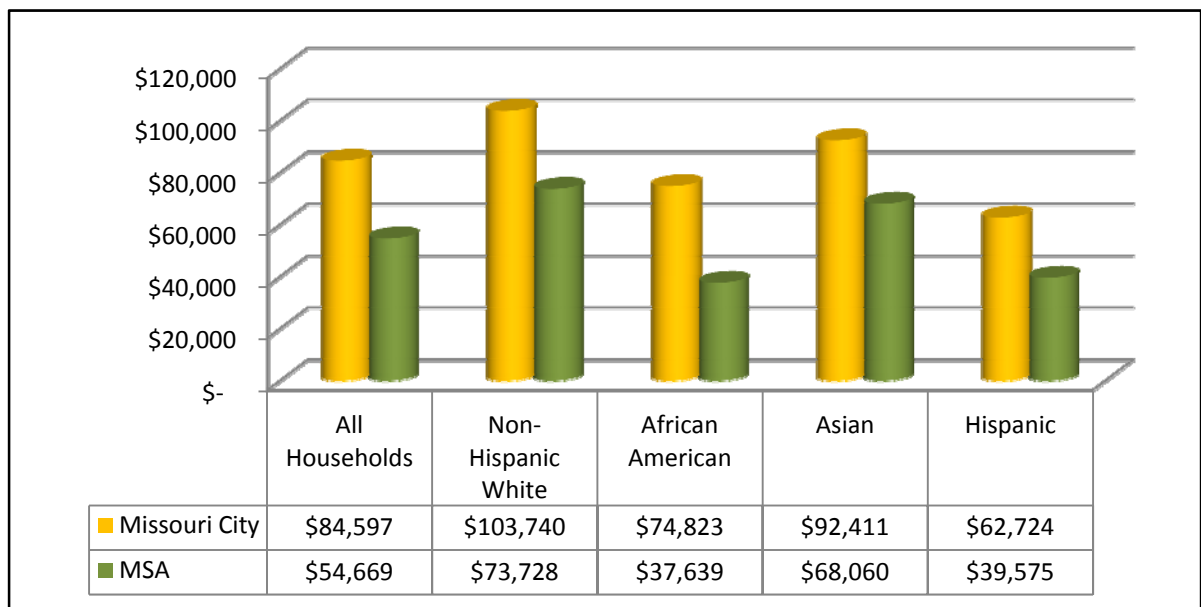


Table 12 -- 2007-2009 Percent Difference between Median Incomes by Race/Ethnicity and All Households

	Missouri City	MSA
Non-Hispanic White	22.63%	34.86%
African American	-11.55%	-31.15%
Asian	9.24%	24.49%
Hispanic	-25.86%	-27.61%

The non-Hispanic whites and Asians have a higher median income than all households combined, but the differences are less for Missouri City than the MSA. African Americans have a median income in Missouri City that is significantly closer to the overall median than for the MSA as a whole. There is no significant difference between Missouri City and the MSA for the variance of Hispanic incomes from all households, though Missouri City Hispanics, like African Americans have a considerably higher median income than those in the MSA.

Table 13 – 2007-2009 Source and Average (Mean) Amount of Income for Missouri City Residents

Income Type	Households*	Average \$
Earnings	18,667	\$ 99,492
Wage/Salary	18,057	\$ 98,253
Self Employment	2,605	\$ 31,881
Investments, Interest, Rental	4,842	\$ 10,978
Social Security	3,053	\$ 16,362
Supplemental Security Income	474	\$ 9,874
Public Assistance**	149	\$ 2,879
Retirement	2,514	\$ 20,988
Other	2,290	\$ 9,248

* Households may have more than one source of income. Total exceeds total number of households.

** Due to the small number of households, Missouri City income is not available, the \$2,879 amount is the average for the MSA.

The table below shows the number of employees and average income among the various occupations in Missouri City:

Table 14 – 2007-2009 Missouri City Employees & Income by Occupations

Occupation	Number of Employees	Average Income
Management, business, and financial occupations	3,588	\$ 78,099
Professional and related occupations	4,304	\$ 62,238
Service occupations	2,104	\$ 29,050
Sales and office occupations	3,104	\$ 36,399
Construction, extraction, maintenance, and repair occupations	2,194	\$ 30,877
Production occupations	1,119	\$ 39,077
Transportation and material moving occupations	1,398	\$ 31,687

Depending on household size and the number of employees per household, there would appear to be some employees who may qualify for Section 3 consideration. Section 3 is a Federal regulation that mandates those using Federal funds for construction make every effort possible to hire very low- and low-income companies or companies that employ very low- and low-income residents, particularly public housing, Section 8 residents and those living in the neighborhoods in which the work is to be carried out. Though there are 2,194 employees in the construction, extraction, maintenance and repair occupations, within the types of construction for which CDBG and other federal funds would be used in Missouri City, there are only 518 employees, many of whom may qualify as Section 3 employees, though they are dependent upon their employers to bid on Missouri City contracts.

3. Assessment of the results of resident and stakeholder input regarding housing needs and fair housing

To be completed after public comment and on-line surveys

4. Summary of Impediments to Fair Housing Choice

In summary, the biggest impediment to housing choice in general is economic – there are is a lack of affordable units and with the minorities and disabled having the lowest incomes, they are facing the greatest obstacles and impediments.

Public Impediments

1. Codes and Ordinances:
 - a. The City does not have a Fair Housing Ordinance that would be beneficial in addressing fair housing issues.
 - b. Zoning in Missouri City limits the number of apartment complexes within the municipal boundaries, though there are a number of complexes immediately outside of the city limits.
2. Public Facilities and Infrastructure:
 - a. Though Fort Bend County and the Metropolitan Transit Authority do provide limited demand-response transportation to the elderly and disabled, Missouri City and Fort Bend County do not have public transportation which limits mobility and accessibility of the low-income.
3. Housing:
 - a. Missouri City does not receive HOME funds to provide support to the development of affordable housing and first-time homebuyer's assistance.
 - b. Missouri City is not a Public Housing Authority and no public housing exists in Fort Bend County or the non-Houston areas of Harris County.
 - c. Currently there is a waiting list of over 21,000 for the Section 8 Housing Choice Voucher programs that can serve Missouri City.

Private Impediments

1. Housing Affordability
 - a. Lack of sufficient number of private subsidized rental units, such as Section 202, Section 811, project-based Section 8, and Low Income Housing Tax Credit properties results in insufficient affordable rental housing for the low- to moderate-income.
 - b. A comprehensive review of all deed restrictions is needed to ensure all are in compliance with City, State and Federal regulations, particularly the Civil Right Act and Fair Housing Act.

Fair Housing Plan and Actions to Overcome Impediments

The City of Missouri City is committed to affirmatively furthering fair housing choice throughout its jurisdiction. Title VIII of the Civil Rights Act of 1968 makes discrimination based on race, color, religion, sex, national origin, familial status or handicap illegal in connection with the sale or rental of housing and any vacant land offered for residential construction or use.

Controlling for income, minority individuals and households and special needs individuals do not have any greater barriers for affordable housing or housing of their choice than non-disabled Anglos. Missouri City is majority minority, with only 29.3% of the population being non-Hispanic white. There is some disparity in income between the racial/ethnic groups in Missouri City, though the disparity is considerably less than the remainder of the Metropolitan Statistical Area. African American households in Missouri City have a median income that is 98.8% higher than the Houston-Baytown-Sugar Land MSA as a whole. Hispanic households in Missouri City have a median income 58.5% greater than the MSA as a whole.

Neighborhoods on the north side of Missouri City are generally older and are predominately minority and lower-income than the newer areas south of Cartwright Road. While housing prices are lower north of Cartwright there is a higher rate of residents with a housing cost burden. However, there are new residential developments being constructed with prices that are affordable to moderate-income residents.

As part of the City's plan to utilize Community Development Block Grant funds, the City is committed to addressing issues of fair housing choice. All of the CDBG funds for infrastructure and public facilities are being spent in the neighborhoods north of Cartwright, particularly in the Hunter's Glen area, which is the least affluent and highest minority in the City. Due to the small allocation that the City receives each year, it is not in a financial position to fund the development of affordable housing. However, as a means to ensure that those current homeowners who are low- to moderate-income, especially the elderly and disabled, are able to maintain their homes and remain in them for an extended period of time, the City utilizes approximately one-fourth to one-third of its CDBG allocation on housing rehabilitation. Most of the homes receiving assistance are located north of Cartwright. Additionally, the City recognizes that maintaining the neighborhoods in general is necessary to make them attractive to homebuyers and renters and to maintain housing values. Therefore, the City commits approximately one-fourth to one-third of its CDBG allocation to code enforcement activities each year. It refers homeowners with structural problems to their homes to the Fort Bend CORPS, the non-profit contracted to provide housing rehabilitation activities. Parks improvements, public facilities and infrastructure improvements are focused on the neighborhoods of lowest income and highest minority concentrations. One of the goals is to improve the accessibility for all residents by improving sidewalks, installing curb cuts/wheelchair ramps, ensuring facilities are accessible and retrofitting homes with ADA-compliant accessible modifications.

Addressing Public Impediments

Local Codes, Ordinances and Regulations:

1. During 2012, the City of Missouri City will review fair housing ordinances of other Texas cities and determine the benefits of developing such an ordinance.
2. During 2012, the City of Missouri City will review neighborhood deed restrictions to determine any discriminatory or unfair wording and requirements. Any findings will be reported to the appropriate Homeowner's Association for rectification.
3. The City of Missouri City will continue to maintain a Fair Housing Officer in the Development Services Department who will be responsible for receiving and responding to complaints and inquiries about fair housing issues and violations.
4. The City of Missouri City will continue to maintain a log of fair housing complaints and information requests which will include the date, individual complainant/inquirer, detailed information, City actions and recommendations.
5. The City of Missouri City will maintain a log of all fair housing activities carried out by City staff and subrecipient non-profits as part of the documentation for the certification of affirmatively furthering fair housing choice.

Public Facilities and Infrastructure:

1. The City of Missouri City will continue to work with Fort Bend County, surrounding cities and Houston-Galveston Area Council in the development of a regional transportation plan.
2. The City of Missouri City will continue to provide infrastructure and facility improvements and upgrades to CDBG Target Areas, which are those neighborhoods of lowest income and highest minority concentration. During 2012 and 2013, at least 50% of CDBG funds will be focused on the neighborhoods north of Cartwright, with particular emphasis on the Hunter's Glen and/or Fondren Southwest areas. Funds will be allocated to code enforcement, infrastructure improvements and/or facility improvements.

Addressing Public Impediments

Housing:

1. The City of Missouri City will continue in 2012 and 2013 to use CDBG funds to support housing rehabilitation efforts, with an emphasis on repairs and improvements to homes owned and occupied by the elderly and disabled.
2. The City of Missouri City will continue in 2012 and 2013 to refer code enforcement violations to the Fort Bend CORPS for assistance to low- to moderate-income homeowners in bringing deteriorating housing up to City codes.
3. The City of Missouri City has adopted a method to review and consider reasonable accommodations for group homes that do not otherwise qualify under state statute for the exemption to the zoning ordinance.
4. Recently, the City of Missouri City has deannexed a property to allow for a multi-family development without the need to alter the existing zoning ordinance.
5. A townhome development and a multi-family development for residents 55 and older are currently pending through the zoning process.

Public Awareness and Involvement: The Fair Housing Act is a federal law and the City of Missouri City is not the entity responsible for addressing violations to the Fair Housing Act. The Houston office of the U.S. Department of Housing and Urban Development (HUD) is the one responsible for receiving fair housing complaints and addressing the issues. Additionally, Lawyers Care and Lone Star Legal Aid represent tenants in actions regarding violations to the Fair Housing Act.

1. The City of Missouri City and various local social service agencies will continue to refer individuals with fair housing complaints to either the Houston office of HUD, Lawyers Care or Lone Star Legal Aid.
2. The City of Missouri City will continue to provide Fair Housing information to the various social service agencies in the area, requesting that they advocate for their program participants in fair housing issues.
3. During 2012, the City of Missouri City will ensure that Fair Housing information is available at the public library and at the reception area of City Hall.
4. During 2012, the City of Missouri City will send information to homeowners associations regarding fair housing issues and programs that can assist in maintaining quality and accessible neighborhoods.
5. Each year during the Annual Action Plan process, the City of Missouri City will review the current Analysis of Impediments and Fair Housing Plan and will determine if new issues have arisen that require City attention.
6. Every three to five years the City will include an analysis of barriers to affordable housing choice in its HUD Consolidated Plan and will develop a new Fair Housing Plan, including an Analysis of Impediments to Fair Housing Choice.
7. The City will assist complainants regarding fair housing violations in completing the official complaint forms and will direct them to the Fair Housing division of the Houston field office of the U.S. Department of Housing and Urban Development.

Economic:

1. The City of Missouri City will continue to encourage Section 3 businesses to bid on construction and maintenance jobs with the City and will give preference to construction contractors who are Section 3-qualified when they are able to meet the other qualifications of capacity, quality workmanship, insurance, bonding, and equipment.
2. During 2012, the City of Missouri City will provide information on Section 3 regulations to public service agencies and advocacy groups to educate them about methods they and their Section 3 program participants can take to secure employment at a livable wage.
3. The City of Missouri City will develop and maintain a list of all Section 3 businesses and all employers who hire Section 3 employees and will ensure that bid packets are provided to those businesses.
4. The City of Missouri City will continue to support the efforts of the Literacy Council of Fort Bend County as it provides literacy education and GED training to improve the employability and incomes of its program participants.

Records to support the AFFH certification

Attached are the following documents to support this Analysis of Impediments to Fair Housing Choice/Fair Housing Plan and the AFFH Certification:

- Public Survey for Fair Housing Planning**
- List of Stakeholders Receiving Survey**
- Log Form for Recording Fair Housing Complaints and Inquiries**
- Log Form for Recording Fair Housing Activities**
- HUD-provided Fair Housing Complaint Form**